

CITY OF MORGAN HILL
COMMUNITY DEVELOPMENT DEPARTMENT, PLANNING DIVISION

17555 Peak Avenue Morgan Hill CA 95037 (408) 779-7247 Fax (408) 779-7236
Website Address: www.morgan-hill.ca.gov / Email: General@ch.morgan-hill.ca.gov

PLANNING COMMISSION

TUESDAY, JANUARY 27, 2009

**CITY COUNCIL CHAMBERS
CIVIC CENTER
17555 PEAK AVENUE
MORGAN HILL, CA**

COMMISSIONERS

CHAIR, SUSAN KOEPP-BAKER
VICE-CHAIR, COMMISSIONER WAYNE TANDA
COMMISSIONER H. GENO ACEVEDO
COMMISSIONER ROBERT L. ESCOBAR
COMMISSIONER RALPH LYLE
COMMISSIONER JOSEPH H. MUELLER
VACANT

REGULAR MEETING - 7:00 P.M.

***** A G E N D A *****

NOTICE TO THE PUBLIC

The following policies shall govern the conduct of the Planning Commission meetings:

- *All Planning Commission proceedings are tape-recorded.*
- *Individuals wishing to address the Planning Commission on a particular item should fill out a speaker card and present it to the Secretary. This will assist the Chairperson in hearing your comments at the appropriate time.*
- *When the Chairperson invites you to address the Commission, please state your name and address at the beginning of your remarks.*
- *Speakers will be recognized to offer presentations in the following order:*
 - *Those supporting the application*
 - *Those opposing the application*
 - *Those with general concerns or comments*
 - *Presentations are limited to 5 minutes*

**DECLARATION OF POSTING OF AGENDA IN ACCORDANCE WITH
GOVERNMENT CODE SECTION 54954.2 - SECRETARY REPORT**

OPEN PUBLIC COMMENT PERIOD (5 MINUTES)

Now is the time for presentation from the public on items **NOT** appearing on the agenda that are within the Planning Commission's jurisdiction. Should your comments require Commission action, your request will be placed on the next appropriate agenda. No Commission discussion or action may be taken until your item appears on a future agenda. You may contact the Planning Division for specific time and dates. This procedure is in compliance with the California Public Meeting Law (Brown Act) G.C. 54950.5. Please limit your comments to five (5) minutes.

MINUTES: January 13, 2009

PUBLIC HEARINGS:

- 1) **BMR REDUCTION PROGRAM:** Amendments to Development Agreements to implement reduction in BMR commitments in exchange for project enhancements.
 - 1a) **DEVELOPMENT AGREEMENT AMENDMENT, DAA-05-13C: JARVIS-SOUTH VALLEY DEVELOPERS:** A 60-unit town home project site approximately nine acres in size, located at the southeast corner of Cochrane Rd. and Monterey Rd. in an R3 (PUD) zoning district. (APN 726-25-076)
 - 1b) **DEVELOPMENT AGREEMENT AMENDMENT, DAA-05-04E: MAIN-MARRAD:** A 35-unit single-family residential project site located on the south side of east Main Ave., approximately 500 ft. east of Calle Mazatan in an R-1 7,000 PD zoning district. (APN 726-16-028)
 - 1c) **DEVELOPMENT AGREEMENT AMENDMENT, DAA-05-02D: COCHRANE-LUPINE:** Phase 3B consisting of 18 dwelling units. The overall project site is approximately 61 acres in size and is located north of Peet Rd. and east of Cochrane Rd. in a R1(12,000)/RPD zoning district. (APNs 728-49-062 thru -064)
 - 1d) **DEVELOPMENT AGREEMENT AMENDMENT, DAA-05-01D: COCHRANE-MISSION RANCH:** The Mission Ranch project is located on the west side of Peet Rd., east of Mission View Dr. in the R-1 7,000 RPD zoning district. (APN 728-32-010)
 - 1e) **DEVELOPMENT AGREEMENT AMENDMENT, DAA-05-07E: WRIGHT-MANANA:** A 15-unit single-family attached residential development located on the northeast quadrant of the intersection of Wright Ave. and Oak Grove Ave. (APN 764-32-061 & 063)
 - 1f) **DEVELOPMENT AGREEMENT AMENDMENT, DAA-04-09D: E. DUNNE-DEMPSEY/DELCO:** A 78-unit multi-family residential development located on south west corner of the intersection of E. Dunne Ave. and San Benancio Way in the R-2 (3,500) RPD zoning district. (APN 817-11-067 & 072)

PLANNING COMMISSION AGENDA

JANUARY 27, 2009

PAGE 3

- 1g) **DEVELOPMENT AGREEMENT AMENDMENT, DAA-05-05D: E. CENTRAL-DELCO/HU:** A 39-unit single-family residential development located on north side of Central Ave. east of Butterfield Blvd. in the R-2 RPD zoning district. (APN 726-26-004)
- 1h) **DEVELOPMENT AGREEMENT AMENDMENT, DAA-05-08D: CHURCH-ALCINI/OLD ORCHARD:** A 14-unit multi-family residential development project located in the northwest quadrant of the intersection of Church St. and Bisceglia Ave. in the CC-R zoning district. (APN 817-01-061 & 062)
- 1i) **DEVELOPMENT AGREEMENT AMENDMENT, DAA-05-10C: BARRETT-SYNCON:** A 52 unit single family residential project located on the northwest corner of the intersection of Barrett Ave. and San Ramon Dr. in the R-1 7,000 RPD zoning district. (APN 817-59-060 & 817-57-001)
- 1j) **DEVELOPMENT AGREEMENT AMENDMENT, DAA-04-05C: BARRETT-ODISHOO:** A 36-unit single-family project located on the southwest corner of the intersection of Barrett Ave. and San Ramon Dr. in the R-1 7,000 RPD zoning district. (817-33-003)
- 1k) **DEVELOPMENT AGREEMENT, DA-06-04: DIANA-CHAN:** The 117-unit single-family detached Sherimar Ranch project located on a 42-acre site on the south side of Diana Ave. between Murphy Ave. and Ringel Dr. (APNs 728-18-012, 728-19-001, 002, 003 and 728-20-037 & 038)

Recommendation: Open/Close Public Hearing/Adopt Resolution, with recommendation to forward requests to the City Council for approval.

- 2) **EXTENSIONS OF TIME - DEVELOPMENT AGREEMENT AMENDMENT AND DEVELOPMENT SCHEDULE AMENDMENTS:** Requests to amend the commencement of construction date with the Residential Development Agreements for projects awarded a building allotment under the City's Residential Development Control System (RDCS). Also requested is amendment to the project development schedules.
 - 2a) **DEVELOPMENT AGREEMENT AMENDMENT, DAA-05-01D: COCHRANE-MISSION RANCH:** The Mission Ranch project is located on the west side of Peet Rd., east of Mission View Dr. in the R-1 7,000 RPD zoning district. (APN 728-32-010)
 - 2b) **DEVELOPMENT AGREEMENT AMENDMENT, DAA-05-02D: COCHRANE-LUPINE (ALICANTE):** Phase 3B consisting of 18 dwelling units. The overall project site is approximately 61 acres in size and is located north of Peet Rd. and east of Cochrane Rd. in a R1(12,000)/RPD zoning district. (APNs 728-49-062 thru -064)
 - 2c) **DEVELOPMENT AGREEMENT AMENDMENT, DAA-05-04E/DSA-07-04D: MAIN-MARRAD/DIVIDEND (SAN SAVIGNO):** A 35-unit single-family residential project site located on the south side of east Main Ave., approximately 500 ft. east of Calle Mazatan in an R-1 7,000 PD zoning district. (APN 726-16-028)

PLANNING COMMISSION AGENDA

JANUARY 27, 2009

PAGE 4

- 2d) **DEVELOPMENT AGREEMENT AMENDMENT, DAA-05-13C: JARVIS-SOUTH VALLEY DEVELOPERS (MADRONE PLAZA):** A 60-unit town home project site approximately nine acres in size, located at the southeast corner of Cochrane Rd. and Monterey Rd. in an R3 (PUD) zoning district. (APN 726-25-076)
- 2e) **DEVELOPMENT AGREEMENT AMENDMENT, DAA-04-05C: BARRETT-ODISHOO (VILLAS OF SAN MARCOS):** A 36-unit single-family project located on the southwest corner of the intersection of Barrett Ave. and San Ramon Dr. in the R-1 7,000 RPD zoning district. (817-33-003)

Recommendation:

- 1) Open/Conduct Public Hearings on Requests 2a through 2e;
- 2) Adopt Resolutions amending the Development Agreement and approving each project's Development Schedule as amended, with recommendation to forward the Development Agreement to the City Council for approval.

- 3) **ZONING AGREEMENT AMENDMENT, ZAA-04-01/ DEVELOPMENT AGREEMENT AMENDMENT, DAA-04-08D/DEVELOPMENT SCHEDULE AMENDMENT, DSA-07-06C: TILTON-GLENROCK:** A request for approval to amend the development agreement for phases 8, 9 & 10 (47 units) of the 210 unit Capriano project. The applicant is requesting to extend the deadline to commence construction, modify below market rate commitments for the project and modify other improvement commitments with the development agreement. The zoning amendment request is to modify unit types and eliminate other zoning requirements. The Capriano project is located on the south side of Tilton Ave. west of Monterey Rd. and east of Hale Ave. (APNS 764-32-017 & 018)

Recommendation:

- 1) Open/Close Public Hearing;
- 2) Adopt Resolution, with recommendation to forward the amended Precise Development Plan to the City Council for denial;
- 3) Adopt Resolution, with recommendation to forward the amended project Development Agreement to the City Council for approval; and approving the amended Development Schedule.

- 4) **ZONING AMENDMENT, ZA-07-10/DEVELOPMENT AGREEMENT, DA-07-04/DEVELOPMENT SCHEDULE, DS-08-04: GINGER-MURRAY:** A request for approval of a precise development plan, development agreement and development schedule for a five-unit single family development on a 0.74-acre site located on the south side of Peebles Avenue bounded by Rose Lane and Ginger Way. The site is zoned R1(7000) Single Family District. A mitigated Negative Declaration is proposed. (APN 726-36-071)

Recommendation:

- 1) Reopen Public Hearing; and
- 2) Table Precise Development Plan, Development Agreement, and Development Schedule requests.

- 5) **RESIDENTIAL DEVELOPMENT CONTROL SYSTEM (RDSC) QUARTERLY REPORT:**
Quarterly review of the progress of Residential Development Control System (RDSC) approved residential projects and if necessary, make recommendations to the City Council regarding the rescission of building allotments.

Recommendation: Approve report by minute action, with recommendation to forward to the City Council for approval.

TENTATIVE AGENDA FOR THE FEBRUARY 10, 2009 MEETING

- ZA-08-06: Condit-Kubo
- ZAA-98-16B: Condit-Horizon Land/Ford Store

ANNOUNCEMENTS:

CITY COUNCIL REPORTS

ADJOURNMENT

SPEAKER CARD

IN ACCORDANCE WITH GOVERNMENT CODE 54953.3, IT IS NOT A REQUIREMENT TO FILL OUT A SPEAKER CARD IN ORDER TO SPEAK TO THE PLANNING COMMISSION. HOWEVER, it is very helpful to the Commission if you would fill out the Speaker Card that is available on the counter in the Council Chambers. Please fill out the card and return it to the Deputy City Clerk. As your name is called by the Chairperson, please walk to the podium and speak directly into the microphone. Clearly state your name and address and proceed to comment upon the agenda item. Please limit your remarks to three (3) minutes.

NOTICE

AMERICANS WITH DISABILITY ACT (ADA)

The City of Morgan Hill complies with the Americans with Disability Act (ADA) and will provide reasonable accommodation to individuals with disabilities to ensure equal access to all facilities, programs and services offered by the City.

If assistance is needed regarding any item appearing on the Planning Commission agenda, please contact the Office of the City Clerk at City Hall, 17555 Peak Avenue or call 779-7259 or Hearing Impaired only - TDD 776-7381 to request accommodation.

NOTICE

NOTICE IS GIVEN pursuant to Government Code Section 65009, that any challenge of any of the above agenda items in court, may be limited to raising only those issues raised by you or on your behalf at the Public Hearing described in this notice, or in written correspondence delivered to the Planning Commission at, or prior to the Public Hearing on these matters.

NOTICE

The time within which judicial review must be sought of the action taken by the Planning Commission which acted upon any matter appearing on this agenda is governed by the provisions of Section 1094.6 of the California Code of Civil Procedure.

NOTICE

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act that are distributed to a majority of the Planning Commission less than 72 hours prior to an open session, will be made available for public inspection at the Office of the City Clerk at Morgan Hill City Hall located at 17555 Peak Avenue, Morgan Hill, CA, 95037 at the same time that the public records are distributed or made available to the Planning Commission. (Pursuant to Government Code 54957.5)



AGENDA ITEM
NO. 1

MEMORANDUM

To: PLANNING COMMISSION

Date: January 27, 2009

From: COMMUNITY DEVELOPMENT DEPARTMENT

**Subject: AMENDMENTS TO DEVELOPMENT AGREEMENTS TO IMPLEMENT
REDUCTION IN BMR COMMITMENTS IN EXCHANGE FOR PROJECT
ENHANCEMENTS.**

BACKGROUND

In August 2008, the City Manager presented a report to the Council on the underlying issues that keep approved housing projects from moving forward. After much discussion, the Council referred this matter to the Planning Commission for recommendations that would address these underlying issues. The Commission held a workshop and two public hearings in September, received testimony from homebuilders and considered the specific issues, housing data and exhibits. The Commission's specific recommendations are contained in the attached Council Report dated October 15, 2008. The City Council approved the Commission's recommendations at their October 15 meeting with one modification under item 1a in the attached report (the recommendation to allow a 50 percent reduction in the number of BMR units). The Council modified item 1a to waive the BMR requirement entirely for projects that are able to commence construction by April 30, 2009. Implementing the Commission's recommendations will require amending the Residential Development Agreement for each of the projects awarded a building allotment through fiscal year 2009-10 for applicants the reduction in BMR's.

To allow for the reduction in the number of BMR units, developers were advised that some type of product upgrade or enhancement will need to be proposed as part of each Development Agreement Amendment (DAA), such as a commitment to Build It Green, with such upgrade to be incorporated within the DAA. Staff contacted each developer who is eligible to participate in the BMR reduction program and asked each developer/project to propose an "enhancement" that provides a public benefit and that works for the homebuilder and the subject project.

On December 16, 2008 the Planning Commission conducted a workshop to review proposals for 12 participating projects showing the status of each project, the BMR reduction request and other requested amendments, the project's proposed enhancements, and a table showing the drawing down in the BMR commitment as the project is completed. After receiving comments from the

applicants that were present, Commission agreed on the following minimum requirements as public benefits in exchange for a temporary waiver/reduction in the number of BMR units.

Enhancements:

Taking into the account the current financial difficulties facing the applicants and their desire to avoid the cost and time of having their existing approved plans revised and rechecked, the Commission approved the following for projects that have completed the building permit plan check process for all models within all phase(s) requesting BMR elimination/reduction:

- ✓ Minimum 90 point BIG certification; or
- ✓ Additional 10 percent secondary dwelling units.

Projects that have not completed the building permit process for the phase(s) requesting BMR reduction/elimination shall commit to 110 point BIG certification.

Proposed Development Agreement Language for BMR Reduction Program:

The Planning Commission will need to approve language to be inserted into each of the project's Development Agreement allowing the reduced number of BMRs. In addition, the new language will need to address the temporary waiver of BMRs for projects that pull building permits by specified date to be determined on a project by project basis. Attached are tables and exhibit with the recommended language for each project. Because of the amount of time required to amend each Development Agreement, the Planning Commission to extend the April 30, 2009 deadline to obtain permits for a waiver of BMR's to September 30, 2009 with September 30 being the deadline to physically commence construction. After September 30, 2009, projects would be required to provide a reduced number of BMRs as specified in each amended Development Agreement. To continue to be eligible for the BMR waiver, each project must pass building inspections at 90 day intervals with the first inspection for the foundation.

As recommended by the Planning Commission and approved by the City Council, the reduction in the number of BMRs provided would be allowed where building permits are pulled (for that phase) on or after the date specified in the amended project Development Agreement and Development Schedule and before June 30, 2010.

Proposed Development Agreement Language for Housing Mitigation Fee Reduction:

Another incentive recommended by the Commission and approved by the Council allows a 50 percent reduction in the fee an applicant agrees to pay in-lieu of the BMR commitment or when a fractional share, less than .5 of a BMR is owed upon completion of the project. At the December 16, 2008 workshop, the Commission agreed to include recommended language allowing the 50 percent fee reduction to be added to each Development Agreement.

Defense and Indemnification Clause:

The reduction in the number of BMR units would result in the reduction of up to 13 points to projects under the Housing Needs category of the RDCS Standards and Criteria and a reduction of two points under the Housing Types category. Under Section 18.78.150(B) of the Municipal Code, should a project deviate below the points awarded for its initial application, the Planning Officer shall report such deviation to the City Council. Thereafter, the Council, after holding a hearing, may rescind all or part of the development allotment in favor of another development which has qualified for such allotment and which is capable of commencement in the year for which the allotment was awarded. For the projects requesting a reduction in BMRs, the Council would choose not to rescind the development allotment after hearings are held to amend the Residential Development Agreements. The amendment to the Development Agreement would need to include provisions that would require the homebuilder or property owner to defend and indemnify the City against any legal challenge to the decision not to rescind the development allotment in favor of a next in line project. The City Attorney has drafted the required language as shown in the second attachment to this memorandum and incorporated as an amendment in each Development Agreement.

Implementation Schedule:

Following the December 16 workshop, staff met with each applicant to prepare amendments to the Development Agreements for each of the projects identified in the attached exhibits. The proposed DAAs will be considered by the Planning Commission at public hearings on January 27, 2009 and by the City Council on February 18, 2009.

Attachments:

- 1) Project Summary Sheets
- 2) Proposed Development Agreement Language for the BMR Reduction Program

Project Summary Sheet

1. DAA 04-05: Barrett-Odishoo: 36-units R-2 SFA/fully allocated.

Status

Completed: Phase 1 (5 units, FY 2005-06) /0 BMRs
Phase 2 (13 units, FY 2006-07)/1 Low & 1 Median BMR

Incomplete: Phase 3 (5 units, FY 2007-08)/1 Median BMR)
Phase 4 (13 units, FY 2008-09/1 Low & 1 Median BMR)

Request:

1. "...50 % reduction of the number of BMR's required."
2. Incorporation of 12 mo. ELBA granted by Council in Nov. 2008

Enhancement Proposed: Will commit to 131 points on the Build it Green checklist.

The following table illustrates the possible BMR elimination/reduction:

5-unit phase 3 with 1 BMR unit required within the phase.

5-unit phase 3	Prior to Sept 30, 2009 = .20 reduction in the required (1) BMRS	After Sept 30, 2009 but prior to Sept. 30, 2010 = .10 reduction in the required (1) BMRS
1	.20	.10
2	.40	.20
3	.60	.30
4	.80	.40
5	1.00	.50

13-unit phase 4 with 2 BMR units required within the phase.

13 unit phase 4	Prior to Sept 30, 2009 =.15 reduction in the required (2) BMRS	After to Sept 30, 2009 but prior to Sept. 30 2010 = .08 reduction in the required (2) BMRS
1	.15	.08
4	.62	.31
6	.92	.45
8	1.23	.60
10	1.53	.75
13	2.00	1.00

Project Summary Sheet

2. DAA 04-09: E. Dunne-Jasper Park: 78 units R-2 SFA/not fully allocated

Status

Completed: Phase 1 (8 units, FY 2005-06/ 1 low BMR),
Phase 2 (13 units, FY 2006-07/ 2 med. BMR+1 low BMR)
Phase 3 (13 units, FY 2007-08/ 1 med. BMR)

Incomplete: Phase 4 (6 units, FY 2008-09)/ 1 med. BMR
Phase 5 (8 units, FY 2009-10)/ 0 BMRs

Request:

1. City purchase of the completed BMR on lot 29.
2. Elimination of the 1 BMR in phase 4 on lot 39.

Enhancement Proposed:

- ✓ Will put people back to work and provide City fees.
- ✓ Project has paid 2.5 million in fees to the City and School Dist.
- ✓ Project has increased the property and sale tax base.
- ✓ Will commit to 92 points on the Build it Green Checklist.
- ✓ Will offer an "Optional Build-it Green" program where additional features can be added and paid for by the buyer.

The following table illustrates the possible BMR elimination/reduction:

6-unit phase 4 with 1 BMR unit required within the phase.

6-unit phase 4	Prior to Sept 30, 2009 =.17 reduction in the required (1) BMR	After Sept 30, 2009 but prior to Sept. 30 2010 = .08 reduction in the required (1) BMR
2	.33	.08
4	.67	.33
6	1.00	.50

Note: 0 BMRs required in phase 5 so a second table was not completed.

Project Summary Sheet

3. DAA 05-01: Mission Ranch: 328 units R-1 SFD/not fully allocated

Status

Completed: Phase 1-9b (227 units, FY 1996-2007/29 BMRs),

Incomplete: Phase 10 (17 units, FY 2007-08)/ 2 low BMRs
Phase 11 (15 units, FY 2008-09)/ 2 low BMRs
Phase 12 (15 units, FY 2009-10)/ 2 low BMRs

Request:

1. Elimination of the 2 BMRS in phase 10 if started by 4/30/09
2. Reduce the 10% low commitment to 5% low for all phases pulled between 5/1/09-6/30/10
3. Amend DS "pull BP" date for Phase 10 by 6 mos. and Phase 11 by 2 mos.
4. Amend DA "commencement date" for Phase 10 by 6 mos. and Phase 11 by 2 mos.

Enhancement Proposed:

- ✓ Convert D plan to include 2'dus (2 are in phase 10)
- ✓ Will commit to 90 points on the Build it Green Checklist.
- ✓ Will offer an "Optional Build-it Green" program where additional features can be added and paid for by the buyer.

The following table illustrates the possible BMR elimination/reduction:

17-unit phase10 with 2 BMR units required within the phase.

17-unit phase 10	Prior to Sept 30, 2009 = .12 reduction in the required (2) BMRS/market rate unit constructed	After Sept 30, 2009 but prior to Sept. 30 2010 = .06 reduction in the required (2) BMRS/market rate unit constructed
1	.12	.06
5	.59	.29
10	1.18	.50
17	2.00	.75

15-unit phase 9 with 2 BMR units required within the phase.

15 unit phase 9	Prior to Sept 30, 2009 = .13 reduction in the required (2) BMRS/market rate unit constructed	After to Sept 30, 2009 but prior to Sept. 30 2010 = .07 reduction in the required (2) BMRS/market rate unit constructed
1	.13	.07
5	.67	.33
10	1.33	.67
15	2.00	1.00

Project Summary Sheet

4. DAA 05-02: Cochrane-Lupine: 92 units SFD(includes 3 replacement units) fully allocated

Status

Completed: Phase 1(22 units, FY 2004-05)/3 Low BMRs
Phase 2(19 units, FY 2005-06)/1 Low BMR
Phase 3a (12 units, FY 2006-07)/2 Low BMRs

Incomplete: Phase 3b (18 units, FY 2006-2007)/ 2 Median BMRs,
Phase 4 (6 units, FY 2007-2008)/ 0 BMR
Phase 5 (12 units, FY 2008-2009)/ 1 Low/1 Median BMR,

Request:

1. Split phase 3b into B & C with 11 & 7 allocations respectively
2. Eliminate 2 BMRS for phase 3b if started by 4/30/09
3. 5% low BMRs for all phases pulled between 5/1/09-6/30/10
4. Amend DS "pull BP" date for Phase 3b by 7 mos. from 4/30/2009 to 11/30/2009
5. Amend DA "commencement date" for Phase 3b by 6 mos. from 6/30/2009-12/31/2009

Enhancement Proposed:

- ✓ Convert plan 6 to include 2'dus (3 are in phases 3b & c)
- ✓ Convert plan 3 or 4 to include 2'dus (4 are in phases 3b & c)
- ✓ Will commit to 90 points on the Build it Green Checklist.
- ✓ Will offer an "Optional Build-it Green" program where additional features can be added and paid for by the buyer.

The following table illustrates the possible BMR elimination/reduction:

18-unit phase 3b & c with 2 BMR units required within the phase.

18-unit phase 3 b/c	Prior to Sept 30, 2009 =.11 reduction in the required (2) BMRS/market rate unit constructed	After to Sept 30, 2009 but prior to Sept. 30 2010 = .07 reduction in the required (2) BMRS/market rate unit constructed
1	.11	.06
6	.67	.33
12	1.33	.67
18	2.00	1.00

Note: 0 BMRs required in phase 4 so a second table was not completed.

Project Summary Sheet

5. DAA 05-04: E. Main-Marrad (San Savigno): 35 units R-1 SFD/fully allocated

Status

Incomplete: Phase 1 (13 units, FY 2006-07)/ 1 low, 2 Median BMRs
Phase 2 (5 units, FY 2007-08)/ 0 BMRs
Phase 3 (8 units, FY 2008-09)/ 1 low BMRs
Phase 4 (8 units, FY 2009-10)/ 0 BMRs

Request:

1. 0 BMRS for phase 1 if started by 4/30/09
2. 5% low BMRs for all phases pulled between 5/1/09-6/30/10
3. Amend DS "pull BP" date for Phase 1 by 6 mos. and Phase 2 by 12 mos.
4. Amend DA "commencement date" for Phase 1 by 8 mos. and Phase 2 by 12 mos.

Enhancement Proposed:

- ✓ Convert the Tandem Garage in Plan 2 to a 2'd DU (2 are in phase 1)
- ✓ Will commit to 90 points on the Build it Green Checklist.
- ✓ Will offer an "Optional Build-it Green" program where additional features can be added and paid for by the buyer.

The following table illustrates the possible BMR elimination/reduction:

13-unit phase 1 with 3 BMR units required within the phase.

13 unit phase 1	Prior to Sept 30, 2009 =.23 reduction in the required (3) BMRS/market rate unit constructed	After to Sept 30, 2009 but prior to Sept. 30 2010 = .12 reduction in the required (3) BMRS/market rate unit constructed
1	.23	.12
3	.69	.35
6	1.38	.69
9	2.08	1.04
13	3.00	1.50

Note: 0 BMRs required in phase 2 so a second table was not completed.

Project Summary Sheet

6. DAA 05-05: E. Central-Hu (Delco/Denova): 39 units R-2 SFA/fully allocated.

Status:

Completed: Phase 1 (19 units, FY 2006-07)\1 low, 2 Median BMRs
Phase 2 (5 units, FY 2007-08) /1 low

Incomplete: Phase 3 [15 units], FY 2008-09, 1 low, 2 Median BMRs

Request:

1. Elimination of 2 BMRS completed in phase 2 which the City cannot provide buyers.
2. Eliminate the 2 BMRS required for phase 3 which is currently under-construction.

Enhancement Proposed:

- ✓ Will put people back to work and provide City fees.
- ✓ Project has paid 2.5 million in fees to the City and School Dist.
- ✓ Project has increased the property and sale tax base.
- ✓ Will commit to 90 points on the Build it Green Checklist.
- ✓ Will offer an "Optional Build-it Green" program where additional features can be added and paid for by the buyer.

The following table illustrates the possible BMR elimination/reduction:

15-unit phase 1 with 3 BMR units required within the phase.

15 unit phase 1	Prior to Sept 30, 2009 =. reduction in the required (3) BMRS/market rate unit constructed	After to Sept 30, 2009 but prior to Sept. 30 2010 = .12 reduction in the required (3) BMRS/market rate unit constructed
1	.20	.10
5	1.00	.50
10	2.00	1.00
15	3.00	1.5

Project Summary Sheet

7. DAA 05-07: Wright Ave.-Manana (Mallorca): 15 units R-2 SFA/fully allocated

Status

Incomplete: Phase 1 (6 units, FY 2006-07)/ 1 low BMR
Phase 2 (9 units, FY 2007-08)/ 1 Median BMR

Request:

1. Eliminate 1 low BMR for phase 1 if started by 4/30/09
2. Eliminate the 1 median BMR for phase 2.

Enhancement Proposed:

- ✓ Will commit to 90 points on the Build it Green Checklist.
- ✓ Will offer an "Optional Build-it Green" program where additional features can be added and paid for by the buyer.

The following table illustrates the possible BMR elimination/reduction:

6-unit phase 1 with 1 BMR unit required within the phase.

6-unit phase 1	Prior to Sept 30, 2009 = .17 reduction in the required (1) BMRS	After to Sept 30, 2009 but prior to Sept. 30 2010 = .08 reduction in the required (1) BMRS
1	.17	.08
2	.33	.17
4	.67	.33
6	1.00	.50

9-unit phase 2 with 1 BMR unit required within the phase.

9 unit phase 2	Prior to Sept 30, 2009 = .11 reduction in the required (1) BMRS	After to Sept 30, 2009 but prior to Sept. 30 2010 = .06 reduction in the required (1) BMRS
1	.11	.06
3	.33	.17
6	.66	.33
9	1.00	.50

Project Summary Sheet

8. DAA 05-08: Church-Alcini (Old Orchard Co.): 14 units R-2 SFA/fully allocated

Status:

Incomplete: Phase 1 (14 units, FY 2006-07)/ 1 low BMR

Request:

1. Elimination of BMRS if permits are pulled prior to 4/30/09

Enhancement Proposed:

- ✓ Additional design areas to provide education to adults and children re: bioswales and drought tolerant design. **OR**
- ✓ Addition of a Drought Tolerant Garden to the park.

The following table illustrates the possible BMR elimination/reduction:

14-unit project with 1 BMR unit required.

14 units	Prior to Sept 30, 2009 = .07 reduction in the required (1) BMRS	After to Sept 30, 2009 but prior to Sept. 30 2010 = .04 reduction in the required (1) BMRS
1	.07	.04
4	.29	.14
6	.43	.21
8	.57	.29
10	.71	.36
14	1.00	.50

Project Summary Sheet

9. DAA 05-10: Barrett-Syncon Homes: 52 units R-1 SFD/not fully allocated.

Status

Completed: Phase 1a (6 units, FY 2007-08) 1 median BMR)

Incomplete: Phase 1b (7 units, FY 2007-08) 1 low BMR
Phase 2 (5 units, FY 2008-09) 0 BMRS
Phase 3 (14 units, FY 2009-10) 1 low, 1 median BMR

Request: "...a reduction in the BMR requirement."

Enhancement Proposed:

- ✓ Solar powered irrigation controllers located in the median island in San Ramon Ave. at Barrett and in the park common areas.
- ✓ Solar panels will be installed on the well pump house to reduce electric costs to HOA.
- ✓ All trim and baseboard material shall be recycled material.
- ✓ Solar powered irrigation systems shall be installed on individual lots.

The following table illustrates the possible BMR elimination/reduction:

12-unit phase 1 with 2 BMR units required within the phase.

13-unit phase 1	Prior to Sept 30, 2009 = .14 reduction in the required (1) BMRS	After Sept 30, 2009 but prior to Sept. 30 2010 = .08 reduction in the required (1) BMRS
1	.14	.08
3	.43	.23
6	.92	.46
9	1.38	.69
13	2.00	1.00

Project Summary Sheet

10. DAA 05-13: Jarvis-South Valley Developers: 134 units R-3 MF/not fully allocated.

Status

Completed: Phase 1a (36 units, FY 2006-07)\ 2 low, 2 Median BMR
*18 not completion
Incomplete: Phase 1b
Phase 2 (13 units, FY 2007-08)\ 1 low, 1 Median BMR
Phase 3 (15 units, FY 2008-09)\ 1 low, 1 Median BMR
Phase 4 (14 units, FY 2009-10)\ 2 Median BMR

Request:

1. Elimination of BMRs
2. Reduction in BMRs for permits pulled prior to June 30, 2011
3. Incorporation of the 12 month ELBA (previously considered in Oct. 2008)
4. Incorporate clause allowing four bedroom BMR units (previously considered in Oct. 2008)

Enhancement Proposed:

- ✓ Will commit to 101 points on the Build it Green Checklist.

The following table illustrates the possible BMR elimination/reduction:

13-unit phase 2 with 2 BMR units required within the phase.

13-unit phase 2	Prior to Sept 30, 2009 = .15 reduction in the required (2) BMRS	After Sept 30, 2009 but prior to Sept. 30 2010 = .08 reduction in the required (2) BMRS
1	.15	.08
3	.46	.23
6	.92	.46
9	1.38	.69
13	2.00	1.00

15-unit phase 3 with 2 BMR units required within the phase.

15 unit phase 3	Prior to Sept 30, 2009 = .13 reduction in the required (2) BMRS	After Sept 30, 2009 but prior to Sept. 30 2010 = .06 reduction in the required (2) BMRS
1	.13	.06
5	.67	.33
10	1.33	.67
15	2.00	1.00

Project Summary Sheet

11. DA 06-04: Diana-Chan: 117 units R-1 SFD/not fully allocated.

Status

Incomplete: Phase 1 (5 units, FY 2007-08 +13 units, FY 2008-09)/2 low, 1 median BMRs
Phase 2 (14 units, FY 2009-10)\1 low, 1 median BMR

Request:

1. Elimination of BMRs
2. Reduction in BMRs for permits pulled prior to June 30, 2011

Enhancement Proposed:

- ✓ Will commit to 90 points on the Build it Green Checklist.
- ✓ Will offer an "Optional Build-it Green" program where additional features can be added and paid for by the buyer.

The following table illustrates the possible BMR elimination/reduction:

18-unit phase 1 with 3 BMR units required within the phase.

18-unit phase 1	Prior to Sept 30, 2009 = .17 reduction in the required (3) BMRS	After Sept 30, 2009 but prior to Sept. 30 2010 = .08 reduction in the required (3) BMRS
1	.17	.08
6	.99	.50
12	2.00	1.00
15	2.50	1.25
18	3.00	1.50

14-unit phase 2 with 2 BMR units required within the phase.

14 unit phase 2	Prior to Sept 30, 2009 = .14 reduction in the required (2) BMRS	After Sept 30, 2009 but prior to Sept. 30 2010 = .07 reduction in the required (2) BMRS
1	.14	.07
4	.57	.29
6	.86	.43
8	1.14	.57
14	2.00	1.00

General Policy Statement (used by Building Division)
For Fee Collection (applicable to all projects)

All projects that have committed to pay the Housing In-lieu fee/Housing Mitigation fee in addition to or in-lieu of a Below Market Rate unit commitment and may be eligible for a 50 percent reduction of the Housing In-lieu fee/Housing Mitigation fee for **all** building permits commenced on or prior to Sept 30, 2010. The 50 percent reduction is applicable to the Housing In-lieu fee/Housing Mitigation fee charged in accordance with the fee deferral program.

To be considered “commenced” the unit must pass a foundation inspection within 90 days of permit issuance and pass a shear and roof sheeting inspection within 90 days of the foundation inspection in order to be defined as “**commenced**” for the purposes of the BMR reduction program.

Units that do not meet the commencement threshold as defined in the above paragraph will be required to pay the balance up to 100 percent of the Housing In-lieu fee/Housing Mitigation fee prior to the issuance of a certificate of occupancy or issuance of the any additional building permits within the project.

**Proposed Development Agreement language
for Housing Mitigation Fee reduction.**

Statement to be added to all projects providing BMR unit(s):

This project is required to pay the Housing In-Lieu fee/Housing Mitigation fee for any remaining fraction of a Below Market Rate unit commitment which is due at the completion of the entire project. Any fraction of a BMR commitment left from any phase shall be rolled forward into the BMR commitment for the following phase. Any resulting fraction of .5 or greater shall result in the production of an actual BMR unit. If the final building permits are commenced on or prior to September 30, 2010, the project is eligible for a 50 percent reduction of the Housing In-lieu fee/Housing Mitigation fee. The fee may not be paid in advance of the issuance of the final building permit.

To be considered “commenced” the unit must pass a foundation inspection within 90 days of permit issuance and pass a shear and roof sheeting inspection within 90 days of the foundation inspection in order to be defined as “**commenced**” for the purposes of the BMR reduction program.

Units that do not meet the commencement threshold as defined in the above paragraph will be required to pay the balance up to 100 percent of the Housing In-lieu fee/Housing Mitigation fee prior to the issuance of a certificate of occupancy or issuance.

Proposed Development Agreement language for BMR reduction program.

A. This project may be eligible for an incremental elimination/reduction of the project BMR requirement for a respective project phase based on the number of building permits commenced* prior to or on September 30, 2009. The project may also be eligible for incremental reduction up to 50 percent of the BMR units required for the respective phase for building permits commenced* on or prior to September 30, 2010.

* “Commenced” as defined in subparagraph 2) below.

The following table illustrates the *possible* BMR elimination/reduction:

{Insert relevant project chart}

To be eligible for the elimination or reduction of the BMR requirement as described in the table(s) above, the project must comply with each of the following:

- 1) In addition to all commitments made within this agreement and contained in application (insert MC/MP application number) this project shall (insert enhancement commitment) for all units contained within the respective phase for which the BMR commitment is eliminated or reduced.
- 2) All building permits pulled for the respective phase (as defined on the approved precise development plan) for which the BMR elimination or reduction is requested must pass a foundation inspection within 90 days of permit issuance and pass a shear and roof sheeting inspection within 90 days of the foundation inspection in order to be defined as “**commenced**” for the purposes of the BMR reduction program.
- 3) Building permits commenced for subsequent phase(s) will not be acknowledged toward the BMR reduction calculation until all units within a previous phase pass a sheer and roof sheeting inspection.
- 4) Any unresolved issues between staff and the project applicant regarding the interpretation and application of the BMR reduction program shall be reviewed and decided by the Planning Commission. The project applicant shall make application to the Planning Commission to resolve any dispute. A decision by the Planning Commission will be final unless an appeal to the City Council is filed within 10-days of notification of the Planning Commission’s action.

If the project fails to meet any of the eligibility requirements as defined above, the project will no longer be eligible for elimination or reduction of the BMRS for any and all current or future phases. Failure to meet the eligibility requirements obligates the project to complete the BMRS per the Housing Needs and Types section of paragraph 14 of this agreement.

Indemnification Clause

Statement to be added to all participating projects

In consideration for the City agreeing to enter into the Amendment, Property Owner agrees to defend and indemnify and hold the City, its officers, agents, employees, officials and representatives free and harmless from and against any and all claims, losses, damages, injuries, costs and liabilities arising from any suit for damages or for equitable, declarative or injunctive relief which is filed against City by reason of, arising from or as a result of its approval of this Amendment ("Claim"). Property owner shall pay all attorneys' fees and expenses, staff costs, administrative expenses, consultant costs and expert witness fees and expenses reasonably required to defend against the Claim both before and after the tender to and acceptance by the Property Owner for the defense of the Claim. The undersigned hereby represents that they are fully empowered by the Property Owner as their agent to agree to provide the indemnification, defense and hold-harmless obligations, and the signature below represents the unconditional agreement by Property Owner to be bound by this indemnity.

RESOLUTION NO. 09-

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF MORGAN HILL RECOMMENDING APPROVAL OF DEVELOPMENT AGREEMENT AMENDMENT APPLICATIONS DAA 05-13C: JARVIS-SOUTH VALLEY DEVELOPERS, DAA 05-04E: E. MAIN-MARRAD/DIVIDEND, DAA 05-02D: COCHRANE-LUPINE, DAA 05-01D: COCHRANE-MISSION RANCH, DAA 04-05C: BARRETT-ODISHOO, DAA 05-07E: WRIGHT AVE. MANANA, DAA04-09D E. DUNNE-DEMPSY, DAA 05-05D E. CENTRAL-DELCO, DAA 05-08D: CHURCH-ALCINI, DAA 05-10C BARRETT-SYNCON, DA 06-04 DIANA-CHAN INSERTING LANGUAGE INTO THE PROJECT AGREEMENTS WHICH WILL ALLOW FOR THE POTENTIAL REDUCTION IN THE PROJECT BMR COMMITMENTS.

WHEREAS, the City Council of the City of Morgan Hill has adopted Resolution No. 4028, establishing a procedure for processing Development Agreements for projects receiving allotments through the Residential Development Control System, Title 18, Chapter 18.78 of the Morgan Hill Municipal Code; and

WHEREAS, Sections 65864 through 65869.5 of the California Government Code authorizes the City of Morgan Hill to enter into binding Development Agreements with persons having legal or equitable interests in real property for the development of such property; and

WHEREAS, the City Council on October 15, 2008, directed staff to undertake activities that would allow for the implementation of a program to allow for the reduction of the project commitments for production of below market rate units.

WHEREAS, the applicants are requesting to amend their development agreements in order to allow for the potential reduction in the number of below market rate units required for their project; and

WHEREAS, that given the extraordinary housing and financing market conditions that have existing for over a year and are likely to continue for at least a year, the deviation of points for the subject project under the RDSC competition scoring process will not cause the City to rescind the subject development allotments.

WHEREAS, the development agreement amendment requests were considered by the Planning Commission at their regular meeting of January 27, 2009, at which time the Planning Commission recommended approval of the following development agreement amendment application requests: DAA 05-13C: Jarvis-South Valley Developers, DAA 05-04E: E. Main-Marrad/Dividend, DAA 05-02D: Cochrane-Lupine, DAA 05-08D: Church-Alcini, DAA 05-01D: Cochrane-Mission Ranch, DAA 04-05C: Barrett-Odishoo, DAA 05-07E: Wright Ave. Manana, DAA04-09D E. Dunne-Dempsy, DAA 05-05D E. Central-Delco, DAA 05-10C Barrett-Syncon, DA 06-04 Diana-Chan; and

WHEREAS, testimony received at a duly-noticed public hearing, along with exhibits and drawings and other materials have been considered in the review process.

NOW, THEREFORE, THE MORGAN HILL PLANNING COMMISSION DOES RESOLVE AS FOLLOWS:

SECTION 1. MODIFICATION TO PARAGRAPH 14. The Planning Commission recommends that Paragraph 14 of the subject development agreements be modified as shown in attached exhibits 1-11:

PASSED AND ADOPTED THIS 27th DAY OF JANUARY 2009, AT A REGULAR MEETING OF THE PLANNING COMMISSION BY THE FOLLOWING VOTE:

AYES: COMMISSIONERS:

NOES: COMMISSIONERS:

ABSTAIN: COMMISSIONERS:

ABSENT: COMMISSIONERS:

ATTEST:

APPROVED:

FRANCES O. SMITH, Deputy City Clerk

SUSAN KOEPP-BAKER, Chair

EXHIBITS 1-11 WILL BE PROVIDED AS SUPPLEMENTS



AGENDA ITEM
NO. 2

MEMORANDUM

To: PLANNING COMMISSION

Date: JANUARY 27, 2009

From: COMMUNITY DEVELOPMENT DEPARTMENT

Subject: DEVELOPMENT AGREEMENT AMENDMENT & DEVELOPMENT SCHEDULE AMENDMENTS FOR: DAA 05-04E/DSA 07-04D: E. Main-Marrad/Dividend, DAA 05-02D/DSA 07-03C: Cochrane-Lupine, DAA 05-01D/DSA 07-02C: Cochrane-Mission Ranch, DAA 04-05C: Barrett-Odishoo, DAA 05-13C: Jarvis-South Valley Developers

REQUEST

Requests to amend the commencement of construction date with the residential development agreements for projects awarded a building allotment under the City's Residential Development Control System (RDSCS). Also requested is amendment to the project development schedules.

RECOMMENDATION

- Applications:
- 1) Open/conduct Public Hearings on request 1 through 5.
 - 2) Adopt Resolutions recommending approval of the amended Development Agreement and approving each project's development schedule as amended.

Processing Deadline: 5-1-09

CASE ANALYSIS

In addition to the requesting development agreement amendments to allow for participation in the BMR reduction program (agenda item 1), four projects (San Savigno, Alicante, Mission Ranch & Capriano) have also requested amendment to their commencement of construction dates and development schedules. Two projects (Villas of San Marcos & Capriano) also need to have recent ELBAs formally incorporated into their development agreements and the Madrone Plaza project needs final action on its October 2008 extension request.

The Capriano project (a.k.a. Tilton-Glenrock) is one of the four projects requesting extensions and is one of the two that need to incorporate a recently approved ELBA request into the project's development agreement. The applicant also has made several other amendment requests in additions to the extension request so the Capriano extension request will be considered as a separate agenda item (#3).

In the following tables, staff has outlined past extensions plus the applicant's current request or recent ELBA approval. The far right column contains staff's recommendation.

1. DAA 05-01D/DSA 07-02C: Cochrane-Mission Ranch

- Amend DS "pull BP" date for Phase 10 by 6 mos. and Phase 11 by 2 mos.
- Amend DA "commencement date" for Phase 10 by 6 mos. and Phase 11 by 2 mos.

DEVELOPMENT SCHEDULE

BUILDING PERMITS Obtain Building Permits	Original Dates	December 2007	Current Request	Staff Recommendation
FY 2006-07 Phase 9b (18 units)	06-30-07			
FY 2007-08 Phase 10 (17 units)	09-30-07	(+19 mo)04-30-09	(+6 mo)10-30-09	Concur w/applicant's request
FY 2008-09 Phase 11 (15 units)	09-30-08	(+18 mo)03-30-10	(+2 mo)05-30-10	Concur w/applicant's request
FY 2009-10 Phase 12 (15 units)	09-30-09	(+8 mo) 05-30-10		

DEVELOPMENT AGREEMENT

Commencement of Const.	Original Dates	December 2007	Current Request	Staff Recommendation
FY 2006-07 Phase 9b (18 units)	10-30-07			
FY 2007-08 Phase 10 (17 units)	06-30-08	(+11 mo.)05-30-09	(+6 mo)11-30-09	Concur w/applicant's request
FY 2008-09 Phase 11 (15 units)	06-30-09	(+10 mo.)04-30-10	(+2 mo)06-30-10	Concur w/applicant's request
FY 2009-10 Phase 12 (15 units)	06-30-10			

2. Alicante DAA 05-02D/DSA 07-03C: Cochrane-Lupine

- Amend DS "pull BP" date for Phase 3b by 7 mos. from 4/30/2009 to 11/30/2009
- Amend DA "commencement date" for Phase 3b by 6 mos. from 6/30/2009-12/31/2009

DEVELOPMENT SCHEDULE

BUILDING PERMITS Obtain Building Permits	Original Dates	Sept. 2007	May 2008	Current Request	Staff Recommendation
FY 2006-07 Phase 3b(18 units)	08-30-06	(+25 mo) 09-30-08	(+7 mo) 04-30-09	(+7mo) 11-30-09	Concur w/applicant's request
FY 2007-08 Phase 4 (6 units)	08-30-07	(+19 mo) 03-02-09	(+13 mo) 04-30-10		
FY 2008-09 Phase 5 (12 units)	08-30-08	(+8 mo) 04-30-09	(+12 mo) 04-30-10		

DEVELOPMENT AGREEMENT

Commencement of Const.	Original Dates	Sept 2007	May 2008	Current Request	Staff Recommendation
FY 2006-07 Phase 3b(18 units)	06-30-07	(+16 mo) 10-30-08	(+8 mo) 06-30-09	(+6 mo) 12-30-09	Concur w/applicant's request
FY 2007-08 Phase 4 (6 units)	06-30-08	(+10) 04-01-09	(+14mo) 06-30-10		
FY 2008-09 Phase 5 (12 units)	06-30-09		(+12mo) 06-30-10		

3. San Savigno DAA 05-04E/DSA 07-04D: E. Main-Marrad/Dividend

- Amend DS “pull BP” date for Phase 1 by 6 mos. and Phase 2 by 12 mos.
- Amend DA “commencement date” for Phase 1 by 8 mos. and Phase 2 by 12 mos.

DEVELOPMENT SCHEDULE

BUILDING PERMITS Obtain Building Permits	Original Dates	March 2007	Sept. 2007	July 2008	Current Request	Staff Recommend- ation
FY 2006-07 Phase 1 (13 units)	05-31-07	(+2 mo) 07-31-07	(+10 mo.) 05-31-08	(+16 mo) 09-30-09	(+6 mo.) <i>03-30-10</i>	Concur w/applicant's request
FY 2007-08 Phase 2 (5 units)	03-31-08	(+2 mo) 05-31-08		(+16 mo) 09-30-09	(+12 mo.) <i>09-30-10</i>	Concur w/applicant's request
FY 2008-09 Phase 3 (8 units)	03-31-09	(+2 mo) 05-31-09		(+16 mo) 09-30-10		(+7 mo.) <i>04-30-11</i>
FY 2009-10 Phase 4 (8 units)		05-31-10		(+4 mo.) 09-30-10		(+7 mo.) <i>04-30-11</i>
DEVELOPMENT AGREEMENT Commence of Const.	Original Dates	March 2007	Oct. 2007	Sept. 2008	Current Request	Staff Recommend- ation
FY 2006-07 Phase 1 (13 units)	06-30-07	(+4 mo) 10-31-07	(+12 mo) 10-31-08	(+12 mo) 10-31-09	(+8 mo) <i>06-30-10</i>	Concur w/applicant's request
FY 2007-08 Phase 2 (5 units)	04-30-08	(+2 mo) 06-30-08	(+4 mo) 10-31-08	(+12 mo) 10-31-09	(+12 mo) <i>10-30-10</i>	Concur w/applicant's request
FY 2008-09 Phase 3 (8 units)	04-30-09	(+2 mo) 06-30-09		(+4 mo) 10-31-09		(+20 mo) <i>06-30-11</i>
FY 2009-10 Phase 4 (8 units)		06-30-10				(+12 mo) <i>06-30-11</i>

4. Madrone Plaza DAA 05-13C: Jarvis-South Valley Developers

On October 28, 2008, the Planning Commission considered the applicant's request for a development agreement amendment to allow up to a one-year extension of time on 60 building allotments spread out over four fiscal years (FY 06-07 thru FY 09-10) and to modify commitments regarding below market rate units. Specifically, the applicant requested to reduce and/or eliminate the BMR commitments in accordance with the Council's policy direction and to construct the 10 BMRs as four-bedroom units; the project is currently required to provide 10, three-bedroom BMR units (four low-income and six median income). At the October meeting, the Commission tabled the application to be considered as part of the batch development agreement amendments. However, the Commission unanimously supported the applicant's request for an extension of time and a majority of the Commission present supported all 4-bedroom BMRs.

DEVELOPMENT SCHEDULE	Original Dates	March 2007 Amended Dates	December 2007 Amended Dates	Current Request
Obtain Building Permit				
FY 2006-07 (36 units)	03-31-07	(+6 mo) 09-30-07	(+12 mo) 09-30-08	(+12 mo) 09-30-09
FY 2007-08 (13 units)	09-30-07	(+6 mo) 03-30-08	(+12 mo) 03-30-09	(+15 mo) 06-30-10
FY 2008-09 (15 units)	09-30-08		(+9 mo) 06-30-09	(+12 mo) 06-30-10
FY 2009-10 (14 units)	09-30-09			(+16 mo) 01-31-11

DEVELOPMENT AGREEMENT	Original Dates	April 2007 Amended Dates	January 2008 Amended Dates	Current Request
Commencement of Construction				
FY 2006-07 (36 units)	06-30-07	(+6 mo) 12-31-07	(+12 mo) 12-31-08	(+12 mo) 12-31-09
FY 2007-08 (13 units)	04-30-08	(+6 mo) 10-30-08	(+12 mo) 10-30-09	(+11 mo) 09-30-10
FY 2008-09 (15 units)	04-30-09		(+5 mo) 09-30-09	(+12 mo) 09-30-10
FY 2009-10 (14 units)	04-30-10			(+12 mo) 04-29-11

5. Villas of San Marcos DAA 04-05C: Barrett-Odishoo

In November 2008, the City Council granted a 12-month exception to the loss of building allocation to the 5, FY 2007-08 allocations. The 12-month extension of the commencement date for FY 2007-08 does require the consideration of adjustment of other dates within the development schedule as well consideration of the dates proposed for the 13 unit FY 2008-09 allocations.

DEVELOPMENT SCHEDULE

BUILDING PERMITS	Original Dates	June 2006	June 2008	Sept. 2007	Staff Recommendation
Obtain Building Permits					
FY 2005-06 Phase 1	03-31-06	(+5 mo) 08-15-06			
FY 2006-07 Phase 2	09-30-06			(+21mo) 06-01-08	
FY 2007-08 Phase 3	09-30-07		(+12mo) 09-30-08	(+5 mo) 02-27-09	(+7 mo) <i>09-30-09</i>
FY 2008-09 Phase 4	09-30-08		(+6 mo) 03-30-09		(+13 mo) <i>04-30-10</i>

DEVELOPMENT AGREEMENT

Commencement of Construction	Original Dates	June 2006	June 2008	Nov 2008	Staff Recommendation
FY 2005-06 Phase 1	06-30-06	(+4 mo) 10-15-06			
FY 2006-07 Phase 2	06-30-07	(+10 mo) 04-30-07			
FY 2007-08 Phase 3	06-30-08	(+10 mo) 04-30-08	(+7 mo) 11-30-08	(+12 mo) <i>11-30-09</i>	
FY 2008-09 Phase 4	06-30-09	(+10 mo) 04-30-09			(+14 mo) <i>06-30-10</i>

RECOMMENDATION

Due to the current housing and banking crisis, staff recommends the following amendments to the project development schedules and exhibit B of the project development agreements.

1. DAA 05-01D/DSA 07-02C: Cochrane-Mission Ranch (Mission Ranch)

- Amend DS “pull BP” date for Phase 10 by 6 months and Phase 11 by 2 mos.
- Amend DA “commencement date” for Phase 10 by 6 months and Phase 11 by 2 months.

2. DAA 05-02D/DSA 07-03C: Cochrane-Lupine (Alicante)

- Amend DS “pull BP” date for Phase 3b by 7 months
- Amend DA “commencement date” for Phase 3b by 6 months.

3. DAA 05-04E/DSA 07-04D: E. Main-Marrad/Dividend (San Savigno)

- Amend DS “pull BP” date for Phase 1 by 6 mos. and Phase 2 by 12 mos.
- Amend DS “pull BP” date for Phase 3 & 4 by 7 months.
- Amend DA “commencement date” for Phase 1 by 8 months and Phase 2 by 12 months.
- Amend DA “commencement date” for Phase 3 by 20 months and Phase 4 by 12 months.

4. DAA 05-13C: Jarvis-South Valley Developers (Madrone Plaza)

- Amend DS “pull BP” date for FY 2006-07 by 12 months
- Amend DS “pull BP” date for FY 2007-08 by 15 months
- Amend DS “pull BP” date for FY 2008-09 by 12 months
- Amend DS “pull BP” date for FY 2009-10 by 16 months
- Amend DA “commencement date” for FY 2007-08 by 15 months and FY 2006-07, FY 2008-09 & FY 2009-10 by 12 months.
- Amend DA to allow 4-bedroom BMRs

5. DAA 04-05C: Barrett-Odishoo (Villas of San Marcos)

- Amend DS “pull BP” date for Phase 3 by 7 months and Phase 4 by 13 months.
- Amend DA “commencement date” for Phase 3 by 12 months and Phase 4 by 14 months.

Attachments:

1. Resolutions recommending amendment to project development agreement and adopting amended project development schedules.

RESOLUTION NO. 09

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF MORGAN HILL RECOMMENDING A 6 MONTH EXTENSION OF THE FY 2006-07 ALLOCATIONS AND APPROVING AN AMENDMENT TO THE DEVELOPMENT SCHEDULE FOR APPLICATION MC-04-25: COCHRANE - LUPINE TO EXTEND THE DATE TO OBTAIN BUILDING PERMITS FOR 18 BUILDING ALLOTMENTS (portion of APN 728-49-047)

WHEREAS, the Planning Commission, pursuant to Chapter 18.78.125 of the Morgan Hill Municipal Code, awarded 36 building allotments for application MC-04-25: Cochrane - Lupine (18 allotments for FY 2006-07, 6 allotments for FY 2007-08, and 12 allotments for FY 2008-09); and

WHEREAS, the City Council of the City of Morgan Hill has adopted Resolution No. 4028, establishing a procedure for processing Development Agreements for projects receiving allotments through the Residential Development Control System (RDCS), Title 18, Chapter 18.78 of the Morgan Hill Municipal Code; and

WHEREAS, Sections 65864 through 65869.5 of the California Government Code authorizes the City of Morgan Hill to enter into binding Development Agreements with persons having legal or equitable interests in real property for the development of such property; and

WHEREAS, on July 6, 2005, the City Council adopted Ordinance No. 1728, N.S. which approved a development agreement and established a development schedule for the 36-unit development; and

WHEREAS, Municipal Code Section 18.78.125 G, allows an exception to the loss of allotment be granted if the cause for the lack of commencement is not the result of developer inaction or due to circumstances outside of the developer's control.

WHEREAS, the applicant has been diligent in pursuing all necessary approvals but the housing market has significantly slowed, thus additional time is needed before lenders will allow new construction to proceed; and

WHEREAS, the City Council has previously recognized downturns in the housing market as circumstance for exceptions to the loss of building allocations.

WHEREAS, on October 25, 2006, the Planning Commission adopted Policy PCP-06-01, establishing a procedure to approve development schedules and extension of time requests by Planning Commission Resolution for projects receiving allotments through the RDCS; and

WHEREAS, the applicant is currently requesting to amend the development schedule as shown in the attached Exhibit A due to the downturn in the housing market; and

WHEREAS, the applicant has made significant progress in the project, including all planning approvals, final map submittal completing the plan check process and commencement of construction; and

WHEREAS, the amended development schedule for application MC-04-25: Cochrane - Lupine was considered by the Planning Commission at their regular meeting of January 27, 2009, at which time the Planning Commission approved the amended development schedule.

NOW, THEREFORE, THE MORGAN HILL PLANNING COMMISSION DOES RESOLVE AS FOLLOWS:

SECTION 1. ADOPTION OF AMENDED DEVELOPMENT SCHEDULE. The Planning Commission hereby adopts the Amended Development Schedule for MC-04-25: Cochrane - Lupine attached to this Resolution as Exhibit A.

SECTION 2. The Planning Commission recommends approval of the development agreement amendment as shown in the attached Exhibit B. The proposed amendment is to allow for a 6 month extension of the FY 2006-07 allocations.

PASSED AND ADOPTED THIS 27TH DAY OF JANUARY 2009, AT A REGULAR MEETING OF THE PLANNING COMMISSION BY THE FOLLOWING VOTE:

AYES: COMMISSIONERS:
NOES: COMMISSIONERS:
ABSTAIN: COMMISSIONERS:
ABSENT: COMMISSIONERS:

ATTEST:

APPROVED:

FRANCES O. SMITH, Deputy City Clerk

SUSAN KOEPP-BAKER, CHAIR

AFFIDAVIT

I, **Dick Oliver**, applicant, hereby agree to accept and abide by the terms and conditions specified in this resolution.

Dick Oliver, President
Applicant

Date: _____

EXHIBIT "A"

DEVELOPMENT SCHEDULE MC-04-25: COCHRANE – LUPINE
FY 2006-07 (18 allotments), FY 2007-08 (6 allotments), FY 2008-09 (12 allotments)

	Currently Approved Dates	Requested Dates
I. SUBDIVISION APPLICATION		
Applications Filed:	March 25, 2005	
II. FINAL MAP SUBMITTAL		
Map, Improvements Agreement and Bonds:		
FY 2006-07 (18 units)	January 30, 2009	
FY 2007-08 (6 units)	January 30, 2010	
FY 2008-09 (12 units)	January 30, 2010	
IV. BUILDING PERMIT SUBMITTAL		
Submit plans to Building Division for plan check:		
FY 2006-07 (18 units)	February 28, 2009	
FY 2007-08 (6 units)	February 28, 2010	
FY 2008-09 (12 units)	February 28, 2010	
V. BUILDING PERMITS		
Obtain Building Permits:		
FY 2006-07 (18 units)	April 30, 2009	11-30-09
FY 2007-08 (6 units)	April 30, 2010	
FY 2008-09 (12 units)	April 30, 2010	

Failure to obtain building permits and commence construction by the dates listed above shall result in the loss of building allocations. Submitting a Final Map Application or a Building Permit one (1) or more months beyond the filing dates listed above shall result in the applicant being charged a processing fee equal to double the building permit plan check fee and/or double the map checking fee to recoup the additional costs incurred in processing the applications within the required time limits. Additionally, failure to meet the Final Map Submittal and Building Permit Submittal deadlines listed above may result in loss of building allocations. In such event, the property owner must re-apply under the development allotment process outlined in Section 18.78.090 of the Municipal Code if development is still desired.

An exception to the loss of allocation may be granted by the City Council if the cause for the lack of commencement was the City's failure to grant a building permit for the project due to an emergency situation as defined in Section 18.78.140 or extended delays in environmental reviews, permit delays not the result of developer inactions, or allocation appeals processing.

If a portion of the project has been completed (physical commencement on at least 18 dwelling units and lot improvements have been installed according to the plans and specifications), the property owner may submit an application for reallocation of allotments. Distribution of new building allocations for partially completed project shall be subject to the policies and procedures in place at the time the reallocation is requested.

EXHIBIT B

DEVELOPMENT SCHEDULE MC-04-25: COCHRANE – LUPINE
FY 2006-07 (18 allotments), FY 2007-08 (6 allotments), FY 2008-09 (12 allotments)

	Currently Approved Dates	Requested Date
I. COMMENCE CONSTRUCTION:		
FY 2006-07 (18 units)	June 30, 2009	<i>December 30, 2009</i>
FY 2007-08 (6 units)	June 30, 2010	
FY 2008-09 (12 units)	June 30, 2010	

Failure to commence construction by the dates listed above shall result in the loss of building allocations. In such event, the property owner must re-apply under the development allotment process outlined in Section 18.78.090 of the Municipal Code if development is still desired.

An exception to the loss of allocation may be granted by the City Council if the cause for the lack of commencement was the City's failure to grant a building permit for the project due to an emergency situation as defined in Section 18.78.140 or extended delays in environmental reviews, permit delays not the result of developer inactions, or allocation appeals processing.

If a portion of the project has been completed (physical commencement on at least 3 dwelling units and lot improvements have been installed according to the plans and specifications), the property owner may submit an application for reallocation of allotments. Distribution of new building allocations for partially completed project shall be subject to the policies and procedures in place at the time the reallocation is requested.

RESOLUTION NO. 09

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF MORGAN HILL RECOMMENDING A 6 MONTH EXTENSION OF THE FY 2007-08 ALLOCATIONS AND A 2 MONTH EXTENSION OF THE FY 2008-09 ALLOCATIONS AND APPROVING AN AMENDMENT TO THE DEVELOPMENT SCHEDULE FOR APPLICATION MC-04-26: COCHRANE-MISSION RANCH TO EXTEND THE DATE TO OBTAIN BUILDING PERMITS FOR 35 BUILDING ALLOTMENTS (APNS 764-32-017 & 018)

WHEREAS, the Planning Commission, pursuant to Chapter 18.78.125 of the Morgan Hill Municipal Code, awarded 65 building allotments for application MC-04-26 Cochrane-Mission Ranch; 18 building allocations for FY 2006-07, 15 allocations for FY 2007-08, 15 allocations for FY 2008-09 and 15 allocations for 2009-10; and

WHEREAS, the City Council of the City of Morgan Hill has adopted Resolution No. 4028, establishing a procedure for processing Development Agreements for projects receiving allotments through the Residential Development Control System (RDSCS), Title 18, Chapter 18.78 of the Morgan Hill Municipal Code; and

WHEREAS, Sections 65864 through 65869.5 of the California Government Code authorizes the City of Morgan Hill to enter into binding Development Agreements with persons having legal or equitable interests in real property for the development of such property; and

WHEREAS, On May 18, 2005 the City Council adopted Ordinance Number 1725 which set a development schedule for the 63 building allocations awarded to MC-04-26 Cochrane-Mission; and

WHEREAS, On September 11, 2007 the Planning Commission adopted Resolution Number 07-77 which awarded 2 additional allocations for FY 2007-08 and 3 additional allocations for FY 2008-09; and

WHEREAS, Municipal Code Section 18.78.125 G, allows an exception to the loss of allotment be granted if the cause for the lack of commencement is not the result of developer inaction or due to circumstances outside of the developer's control.

WHEREAS, the applicant has been diligent in pursuing all necessary approvals but the housing market has significantly slowed, thus additional time is needed before lenders will allow new construction to proceed; and

WHEREAS, the City Council has previously recognized downturns in the housing market as circumstance for exceptions to the loss of building allocations.

WHEREAS, on October 25, 2006, the Planning Commission adopted Policy PCP-06-01, establishing a procedure to approve development schedules and extension of time requests by Planning Commission Resolution for projects receiving allotments through the RDSCS; and

WHEREAS, the applicant is currently requesting to amend the development schedule as shown in the attached Exhibit A due to the downturn in the housing market; and

WHEREAS, the applicant has made significant progress in the project, including all planning approvals, final map submittal completing the plan check process and the construction of 209 units to date; and

WHEREAS, the amended development schedule for application MC-04-26 Cochrane-Mission Ranch was considered by the Planning Commission at their regular meeting of January 27, 2009, at which time the Planning Commission approved the amended development schedule.

NOW, THEREFORE, THE MORGAN HILL PLANNING COMMISSION DOES RESOLVE AS FOLLOWS:

SECTION 1. ADOPTION OF AMENDED DEVELOPMENT SCHEDULE. The Planning Commission hereby adopts the Amended Development Schedule for MC-04-26 Cochrane-Mission Ranch attached to this Resolution as Exhibit A.

SECTION 2. The Planning Commission recommends approval of the development agreement amendment as shown in the attached Exhibit B. The proposed amendment is to allow for a 6 month extension of the FY 2007-08 allocations and a 2 month extension of the FY 2008-09 allocations.

PASSED AND ADOPTED THIS 27TH DAY OF JANUARY 2009, AT A REGULAR MEETING OF THE PLANNING COMMISSION BY THE FOLLOWING VOTE:

AYES: COMMISSIONERS:
NOES: COMMISSIONERS:
ABSTAIN: COMMISSIONERS:
ABSENT: COMMISSIONERS:

ATTEST:

APPROVED:

FRANCES O. SMITH, Deputy City Clerk

SUSAN KOEPP-BAKER, CHAIR

AFFIDAVIT

I, **Dick Oliver**, applicant, hereby agree to accept and abide by the terms and conditions specified in this resolution.

Dick Oliver, President
Applicant

Date: _____

EXHIBIT "A"

DEVELOPMENT SCHEDULE MC-04-26: Cochrane-Mission Ranch
FY 2006-07 18 allocations/FY 2007-08 15 allocations/FY 2008-09 15 allocations/ FY 2009-10 15 allocations

		Currently Approved	Recommended
		Dates	Dates
I.	SUBDIVISION AND ZONING APPLICATIONS		
	Subdivision Application Filed:	03-25-05	
	Zoning Amendment Application Filed:		
	03-25-05		
II.	SITE REVIEW APPLICATION		
	Application Filed:	07-30-05	
III.	FINAL MAP SUBMITTAL		
	Map, Improvements Agreement and Bonds:		
	FY 2006-07 (18 units)	07-30-06	
	FY 2007-08 (17 units)	04-15-09	
	FY 2008-09 (18 units)	03-15-10	
	FY 2009-10 (15 units)	02-15-10	
IV.	BUILDING PERMIT SUBMITTAL		
	Submit plans to Building Division for plan check:		
	FY 2006-07 (18 units)	08-15-06	
	FY 2007-08 (17 units)	01-30-09	
	FY 2008-09 (18 units)	10-30-09	
	FY 2009-10 (15 units)	02-30-10	
V.	BUILDING PERMITS		
	Obtain Building Permits:		
	FY 2006-07 (18 units)	06-30-07	
	FY 2007-08 (17 units)	04-30-09	10-30-09
	FY 2008-09 (18 units)	03-30-10	05-30-10
	FY 2009-10 (15 units)	05-30-10	

Failure to obtain building permits and commence construction by the dates listed above shall result in the loss of building allocations. Submitting a Final Map Application or a Building Permit one (1) or more months beyond the filing dates listed above shall result in the applicant being charged a processing fee equal to double the building permit plan check fee and/or double the map checking fee to recoup the additional costs incurred in processing the applications within the required time limits. Additionally, failure to meet the Final Map Submittal and Building Permit Submittal deadlines listed above may result in loss of building allocations. In such event, the property owner must re-apply under the development allotment process outlined in Section 18.78.090 of the Municipal Code if development is still desired.

An exception to the loss of allocation may be granted by the City Council if the cause for the lack of commencement was the City's failure to grant a building permit for the project due to an emergency situation as defined in Section 18.78.140 or extended delays in environmental reviews, permit delays not the result of developer inactions, or allocation appeals processing.

If a portion of the project has been completed (physical commencement on at least 24 dwelling units and lot improvements have been installed according to the plans and specifications), the property owner may submit an application for reallocation of allotments. Distribution of new building allocations for partially completed project shall be subject to the policies and procedures in place at the time the reallocation is requested.

EXHIBIT "B"

**DEVELOPMENT SCHEDULE MC-04-26: Cochrane-Mission Ranch
FY 2006-07 18 allocations/FY 2007-08 17 allocations/FY 2008-09 18 allocations/
FY 2009-2010 15 allocations**

	Currently Approved Dates	Requested Date
I. COMMENCE CONSTRUCTION:		
FY 2006-07 (18 units)	10-30-07	
FY 2007-08 (17 units)	05-30-09	<i>11-30-09</i>
FY 2008-09 (18 units)	04-30-10	<i>06-30-10</i>
FY 2009-10 (15 units)	06-30-10	

Failure to commence construction by the date listed above shall result in the loss of building allocations. In such event, the property owner must re-apply under the development allotment process outlined in Section 18.78.090 of the Municipal Code if development is still desired.

An exception to the loss of allocation may be granted by the City Council if the cause for the lack of commencement was the City's failure to grant a building permit for the project due to an emergency situation as defined in Section 18.78.140 or extended delays in environmental reviews, permit delays not the result of developer inactions, or allocation appeals processing.

If a portion of the project has been completed (physical commencement on at least 24 dwelling units and lot improvements have been installed according to the plans and specifications), the property owner may submit an application for reallocation of allotments. Distribution of new building allocations for partially completed project shall be subject to the policies and procedures in place at the time the reallocation is requested.

RESOLUTION NO. 09

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF MORGAN HILL RECOMMENDING AN 8 MONTH EXTENSION OF THE FY 2006-07 ALLOCATIONS, A 12 MONTH EXTENSION OF THE FY 2007-08, A 20 MONTH EXTENSION OF THE FY 2008-09 ALLOCATIONS AND A 12 MONTH EXTENSION OF THE FY 2009-10 ALLOCATIONS AND APPROVING AN AMENDMENT TO THE DEVELOPMENT SCHEDULE FOR APPLICATION MC-04-19: E. MAIN-THRUST/MARRAD (DIVIDEND) TO EXTEND THE DATE TO OBTAIN BUILDING PERMITS FOR 34 BUILDING ALLOTMENTS (APN 726-16-028)

WHEREAS, the Planning Commission, pursuant to Chapter 18.78.125 of the Morgan Hill Municipal Code, awarded 34 building allotments for application MC-04-19: E. Main-Thrust/Marrad (Dividend): 13 allocations for FY 2006-07, 5 allocations for FY 2007-08, 8 allocations for FY 2008-09 & 8 allocations for FY 2009-10; and

WHEREAS, the City Council of the City of Morgan Hill has adopted Resolution No. 4028, establishing a procedure for processing Development Agreements for projects receiving allotments through the Residential Development Control System (RDCS), Title 18, Chapter 18.78 of the Morgan Hill Municipal Code; and

WHEREAS, Sections 65864 through 65869.5 of the California Government Code authorizes the City of Morgan Hill to enter into binding Development Agreements with persons having legal or equitable interests in real property for the development of such property; and

WHEREAS, On July 19, 2006, the City Council adopted Ordinance Number 1782 which set a development schedule for the 34 building allocations (+1 replacement unit) awarded to MC-04-19: E. Main-Thrust/Marrad (Dividend); and

WHEREAS, Municipal Code Section 18.78.125 G, allows an exception to the loss of allotment be granted if the cause for the lack of commencement is not the result of developer inaction or due to circumstances outside of the developer's control.

WHEREAS, the applicant has been diligent in pursuing all necessary approvals but the housing market has significantly slowed, thus additional time is needed before lenders will allow new construction to proceed; and

WHEREAS, the City Council has previously recognized downturns in the housing market as circumstance for exceptions to the loss of building allocations.

WHEREAS, on October 25, 2006, the Planning Commission adopted Policy PCP-06-01, establishing a procedure to approve development schedules and extension of time requests by Planning Commission Resolution for projects receiving allotments through the RDCS; and

WHEREAS, the applicant is currently requesting to amend the development schedule as shown in the attached Exhibit A due to the downturn in the housing market; and

WHEREAS, the applicant has made significant progress in the project, including all planning approvals, final map submittal and completing the plan check process for all 34 allotments; and

WHEREAS, the amended development schedule for application MC-04-19: E. Main-Thrust/Marrad (Dividend) was considered by the Planning Commission at their regular meeting of January 27, 2009, at which time the Planning Commission approved the amended development schedule.

NOW, THEREFORE, THE MORGAN HILL PLANNING COMMISSION DOES RESOLVE AS FOLLOWS:

SECTION 1. ADOPTION OF AMENDED DEVELOPMENT SCHEDULE. The Planning Commission hereby adopts the Amended Development Schedule for MC-04-19: E. Main-Thrust/Marrad (Dividend) attached to this Resolution as Exhibit A.

SECTION 2. The Planning Commission recommends approval of the development agreement amendment as shown in the attached Exhibit B. The proposed amendment is to allow for an 8 month extension of the FY 2006-07 allocations, a 12 month extension of the FY 2007-08, a 20 month extension of the FY 2008-09 and a 12 month extension of the FY 2009-10 allocations.

PASSED AND ADOPTED THIS 27TH DAY OF JANUARY 2009, AT A REGULAR MEETING OF THE PLANNING COMMISSION BY THE FOLLOWING VOTE:

AYES: COMMISSIONERS:
NOES: COMMISSIONERS:
ABSTAIN: COMMISSIONERS:
ABSENT: COMMISSIONERS:

ATTEST:

APPROVED:

FRANCES O. SMITH, Deputy City Clerk

SUSAN KOEPP-BAKER, CHAIR

AFFIDAVIT

I, **Dick Oliver**, applicant, hereby agree to accept and abide by the terms and conditions specified in this resolution.

Dick Oliver, President
Applicant

Date: _____

EXHIBIT "A"

**DEVELOPMENT SCHEDULE MC 04-19: E.Main Thrust
FY 2006-07, 13 allocations/FY 2007-08, 5 allocations/FY 2008-09, 8 allocations/FY 2009-10, 8 allocations**

	Currently Approved Dates	Requested Date
I. SUBDIVISION AND ZONING APPLICATIONS Applications Filed:	06-15-05	
II. SITE REVIEW APPLICATION Application Filed:	09-01-06	
III. FINAL MAP SUBMITTAL Improvements Agreement and Bonds:		
FY 2006-07 (13 units)	04-30-09	
FY 2007-08 (5 units)	04-30-09	
FY 2008-09 (8 units)	04-30-10	
FY 2009-10 (8 units)	04-30-10	
IV. BUILDING PERMIT SUBMITTAL Submit plans to Building Division for plan check:		
FY 2006-07 (13 units)	05-31-09	
FY 2007-08 (5 units)	05-31-09	
FY 2008-09 (8 units)	05-31-10	
FY 2009-10 (8 units)	05-31-10	
V. BUILDING PERMITS Obtain Building Permits:		
FY 2006-07 (13 units)	09-30-09	03-30-10
FY 2007-08 (5 units)	09-30-09	09-30-10
FY 2008-09 (8 units)	09-30-10	04-30-11
FY 2009-10 (8 units)	09-30-10	04-30-11

Failure to obtain building permits by the dates listed above shall result in the loss of building allocations. Submitting a Final Map Application or a Building Permit one (1) or more months beyond the filing dates listed above shall result in the applicant being charged a processing fee equal to double the building permit plan check fee and/or double the map checking fee to recoup the additional costs incurred in processing the applications within the required time limits. Additionally, failure to meet the Final Map Submittal and Building Permit Submittal deadlines listed above may result in loss of building allocations. In such event, the property owner must re-apply under the development allotment process outlined in Section 18.78.090 of the Municipal Code if development is still desired.

An exception to the loss of allocation may be granted by the City Council if the cause for the lack of commencement was the City's failure to grant a building permit for the project due to an emergency situation as defined in Section 18.78.140 or extended delays in environmental reviews, permit delays not the result of developer inactions, or allocation appeals processing.

If a portion of the project has been completed (physical commencement on at least 18 dwelling units and lot improvements have been installed according to the plans and specifications), the property owner may submit an application for reallocation of allotments. Distribution of new building allocations for partially completed project shall be subject to the policies and procedures in place at the time the reallocation is requested.

EXHIBIT "B"**DEVELOPMENT SCHEDULE MC 04-19: E.Main Thrust****FY 2006-07, 13 allocations/FY 2007-08, 5 allocations****FY 2008-09, 8 allocations/ FY 2009-10, 8 allocations**

	Currently Approved Dates	Requested Date
I. COMMENCE CONSTRUCTION:		
FY 2006-07 (13 units)	10-31-09	06-30-10
FY 2007-08 (5 units)	10-31-09	10-30-10
FY 2008-09 (8 units)	10-31-09	06-30-11
FY 2009-10 (8 units)	06-30-10	06-30-11

Failure to commence construction by the dates listed above shall result in the loss of building allocations. In such event, the property owner must re-apply under the development allotment process outlined in Section 18.78.090 of the Municipal Code if development is still desired.

An exception to the loss of allocation may be granted by the City Council if the cause for the lack of commencement was the City's failure to grant a building permit for the project due to an emergency situation as defined in Section 18.78.140 or extended delays in environmental reviews, permit delays not the result of developer inactions, or allocation appeals processing.

If a portion of the project has been completed (physical commencement on at least 18 dwelling units and lot improvements have been installed according to the plans and specifications), the property owner may submit an application for reallocation of allotments. Distribution of new building allocations for partially completed project shall be subject to the policies and procedures in place at the time the reallocation is requested.

RESOLUTION NO. 09

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF MORGAN HILL RECOMMENDING A 12 MONTH EXTENSION OF THE FY 2007-08 ALLOCATIONS AND A 14 MONTH EXTENSION OF THE FY 2008-09 ALLOCATIONS AND RECOMMENDING AMENDMENT TO THE DEVELOPMENT SCHEDULE FOR APPLICATION MP-02-22 AND MC-04-13: BARRETT-ODISHOO TO EXTEND THE DATE TO OBTAIN BUILDING PERMITS FOR 18 BUILDING ALLOTMENTS (APNS 817-11-067 & 817-11-072)

WHEREAS, the Planning Commission, pursuant to Chapter 18.78.125 of the Morgan Hill Municipal Code, awarded 36 building allotments for application MP-02-22 and MC-04-13: Barrett-Odishoo (5 allotments for FY 2005-06, 13 allotments for FY 2006-07, 5 allotments for FY 2007-08, and 13 allotments for FY 2008-09); and

WHEREAS, the City Council of the City of Morgan Hill has adopted Resolution No. 4028, establishing a procedure for processing Development Agreements for projects receiving allotments through the Residential Development Control System (RDCS), Title 18, Chapter 18.78 of the Morgan Hill Municipal Code; and

WHEREAS, Sections 65864 through 65869.5 of the California Government Code authorizes the City of Morgan Hill to enter into binding Development Agreements with persons having legal or equitable interests in real property for the development of such property; and

WHEREAS, in September 2005, the City Council approved the development agreement for application MP-02-22 and MC-04-13; and established a development schedule for the 36-unit development; and

WHEREAS, Municipal Code Section 18.78.125 G, allows an exception to the loss of allotment be granted if the cause for the lack of commencement is not the result of developer inaction or due to circumstances outside of the developer's control.

WHEREAS, the applicant has been diligent in pursuing all necessary approvals but the housing market has significantly slowed, thus additional time is needed before lenders will allow new construction to proceed; and

WHEREAS, the City Council has previously recognized downturns in the housing market as circumstance for exceptions to the loss of building allocations.

WHEREAS, the applicant is currently requesting to amend the development schedule as shown in the attached Exhibit A due to the downturn in the housing market; and

WHEREAS, the applicant has made significant progress in the project, including all planning approvals, final map submittal completing the plan check process and commencement of construction 18 units; and

WHEREAS, the amended development schedule for application MP-02-22 and MC-04-13: Barrett-Odishoo was considered by the Planning Commission at their regular meeting of January 27, 2009, at which time the Planning Commission recommended approval of the amended development schedule.

NOW, THEREFORE, THE MORGAN HILL PLANNING COMMISSION DOES RESOLVE AS FOLLOWS:

SECTION 1. The Planning Commission recommends approval of the development agreement amendment as shown in the attached Exhibit B. The proposed amendment is to allow for a 6 month extension of the FY 2006-07 allocations.

PASSED AND ADOPTED THIS 27TH DAY OF JANUARY 2009, AT A REGULAR MEETING OF THE PLANNING COMMISSION BY THE FOLLOWING VOTE:

AYES: COMMISSIONERS:

NOES: COMMISSIONERS:

ABSTAIN: COMMISSIONERS:

ABSENT: COMMISSIONERS:

ATTEST:

APPROVED:

FRANCES O. SMITH, Deputy City Clerk

SUSAN KOEPP-BAKER, CHAIR

AFFIDAVIT

I, **Scott Murray**, applicant, hereby agree to accept and abide by the terms and conditions specified in this resolution.

Scott Murray, Applicant

Date: _____

EXHIBIT "B"

**DEVELOPMENT SCHEDULE
MP-02-22 and MC-04-13: Barrett-Odishoo
VILLAS OF SAN MARCOS L.L.C.**

FY 2005-2006 (5 units) 2006-07 (13 units), FY 2007-08 (5 units), FY 2008-09 (13 units)

	Currently Approved Dates	Requested Date
I. SUBDIVISION AND ZONING APPLICATIONS		
Applications Filed:	Aug. 23, 2004	
II. SITE REVIEW APPLICATION		
Application Filed:	Aug. 23, 2004	
III. FINAL MAP SUBMITTAL		
Map, Improvements Agreement and Bonds:		
FY 2005-06 (5 units)	Sept. 30, 2005	
FY 2006-07 (13 units)	July 30, 2006	
FY 2007-08 (5 units)	July 30, 2008	
FY 2008-09 (13 units)	July 30, 2008	
IV. BUILDING PERMIT SUBMITTAL		
Submit plans to Building Division for plan check:		
FY 2005-06 (5 units)	Nov. 30, 2005	
FY 2006-07 (13 units)	Aug. 15, 2006	
FY 2007-08 (5 units)	Aug. 15, 2008	
FY 2008-09 (13 units)	Jan. 30, 2009	
BUILDING PERMITS		
Obtain Building Permits		
FY 2005-06 (5 units)	Aug 15, 2006	
FY 2006-07 (13 units)	Sept. 30, 2008	
FY 2007-08 (5 unit)	Feb. 27, 2009	Sept. 30, 2009
FY 2008-09 (13 units)	March 30, 2009	April 30, 2010
Commence Construction:		
FY 2005-06 (5 units)	Oct 15, 2006	
FY 2006-07 (13 units)	April 30, 2007	
FY 2007-08 (5 units)	November 30, 2008	Nov. 30, 2009
FY 2008-09 (13 units)	April 30, 2009	June 30, 2010

Failure to obtain building permits and commence construction by the dates listed above shall result in the loss of building allocations. Submitting a Final Map Application or a Building Permit one (1) or more months beyond the filing dates listed above shall result in the applicant being charged a processing fee equal to double the building permit plan check fee and/or double the map checking fee to recoup the additional costs incurred in processing the applications within the required time limits. Additionally, failure to meet the Final Map Submittal and Building Permit Submittal deadlines listed above may result in loss of building allocations. In such event, the property owner must re-apply under the development allotment process outlined in Section 18.78.090 of the Municipal Code if development is still desired.

An exception to the loss of allocation may be granted by the City Council if the cause for the lack of commencement was the City's failure to grant a building permit for the project due to an emergency situation as defined in Section 18.78.140 or extended delays in environmental reviews, permit delays not the result of developer inactions, or allocation appeals processing.

If a portion of the project has been completed (physical commencement on at least 17 dwelling units and lot improvements have been installed according to the plans and specifications), the property owner may submit an application for reallocation of allotments. Distribution of new building allocations for partially completed project shall be subject to the policies and procedures in place at the time the reallocation is requested.

RESOLUTION NO. 09

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF MORGAN HILL RECOMMENDING AN 11 MONTH EXTENSION OF THE FY 2007-08 ALLOCATIONS AND A 12 MONTH EXTENSION OF THE FY 2006-07, FY 2008-09 & FY 2009-10 ALLOCATIONS AND APPROVING AN AMENDMENT TO THE DEVELOPMENT SCHEDULE FOR APPLICATION MC-04-22: JARVIS – SOUTH VALLEY DEVELOPERS TO EXTEND THE DATE TO OBTAIN BUILDING PERMITS FOR 60 BUILDING ALLOTMENTS (APN 726-25-076)

WHEREAS, the Planning Commission, pursuant to Chapter 18.78.125 of the Morgan Hill Municipal Code, awarded 78 building allotments for application MC-04-22: Jarvis – South Valley Developers (36 allotments for FY 2006-07, 13 allotments for FY 2007-08, 15 allotments for FY 2008-09 and 14 allotments for FY 2009-10); and

WHEREAS, the City Council of the City of Morgan Hill has adopted Resolution No. 4028, establishing a procedure for processing Development Agreements for projects receiving allotments through the Residential Development Control System (RDCS), Title 18, Chapter 18.78 of the Morgan Hill Municipal Code; and

WHEREAS, Sections 65864 through 65869.5 of the California Government Code authorizes the City of Morgan Hill to enter into binding Development Agreements with persons having legal or equitable interests in real property for the development of such property; and

WHEREAS, on September 20, 2006, the City Council adopted Ordinance No. 1791, N.S., which approved a development agreement and established a development schedule for the 78-unit development; and

WHEREAS, the applicant is requesting to amend the approved development agreement to allow for 4 bedroom BMR units and an 11 month extension of the FY 2007-08 allocations and a 12 month extension of the FY 2006-07, FY 2008-09 & FY 2009-10 allocations.; and

WHEREAS, Municipal Code Section 18.78.125 G, allows an exception to the loss of allotment be granted if the cause for the lack of commencement is not the result of developer inaction or due to circumstances outside of the developer's control.

WHEREAS, the applicant has been diligent in pursuing all necessary approvals but the housing market has significantly slowed, thus additional time is needed so sell existing units so lenders will allow new construction to proceed; and

WHEREAS, the City Council has previously recognized downturns in the housing market as circumstance for exceptions to the loss of building allocations.

WHEREAS, on October 25, 2006, the Planning Commission adopted Policy PCP-06-01, establishing a procedure to approve development schedules and extension of time requests by Planning Commission Resolution for projects receiving allotments through the RDCS; and

WHEREAS, the applicant is currently requesting to amend the development schedule as shown in the attached Exhibit A due to the downturn in the housing market; and

WHEREAS, the applicant has made significant progress in the project, including installing street improvements, utilities and common area amenities, completing the plan check process for all 78 allotments and commencing construction; and

WHEREAS, the amended development schedule for application MC-04-22: Jarvis – South Valley Developers was considered by the Planning Commission at their regular meeting of September 23, 2008, October 28, 2008 and January 27, 2009, at which time the Planning Commission approved the amended development schedule.

NOW, THEREFORE, THE MORGAN HILL PLANNING COMMISSION DOES RESOLVE AS FOLLOWS:

SECTION 1. ADOPTION OF AMENDED DEVELOPMENT SCHEDULE. The Planning Commission hereby adopts the Amended Development Schedule for MC-04-22: Jarvis – South Valley Developers attached to this Resolution as Exhibit A.

SECTION 2. The Planning Commission recommends approval of the development agreement amendment as shown in the attached Exhibit B. The proposed amendment is to allow for an 11 month extension of the FY 2007-08 allocations and a 12 month extension of the FY 2006-07, FY 2008-09 & FY 2009-10 allocations.

SECTION 3. MODIFICATION TO PARAGRAPH 14(l)(ii). The Planning Commission recommends that Paragraph 14(l)(ii) of the development agreement be modified as follows:

- (ii) The following unit types shall be provided for the 10, for sale BMR units:
 - Low Income: *Four, 4bdrm, 2 ½ baths, approx. 1700 sf*
 - Median Income: *Six, 4bdrm, 2 ½ baths, approx. 1700 sf*

PASSED AND ADOPTED THIS 27TH DAY OF JANUARY 2009, AT A REGULAR MEETING OF THE PLANNING COMMISSION BY THE FOLLOWING VOTE:

AYES: COMMISSIONERS:
NOES: COMMISSIONERS:
ABSTAIN: COMMISSIONERS:
ABSENT: COMMISSIONERS:

ATTEST:

APPROVED:

FRANCES O. SMITH, Deputy City Clerk

SUSAN KOEPP-BAKER, CHAIR

AFFIDAVIT

I, **Scott Schilling**, applicant, hereby agree to accept and abide by the terms and conditions specified in this resolution.

SOUTH VALLEY DEVELOPERS, INC.

Scott Schilling, President
Applicant

Date: _____

EXHIBIT "A"**DEVELOPMENT SCHEDULE MC-04-22: Jarvis – South Valley Developers****FY 06-07 (36 allotments)/FY 07-08 (13 allotments)/****FY 08-09 (15 allotments)/FY 09-10 (14 allotments)**

	Currently Approved Dates	Requested Date
I. SUBDIVISION AND ZONING APPLICATIONS		
Applications Filed:	11-02-05	
II. SITE REVIEW APPLICATION		
Application Filed:	09-01-06	
III. FINAL MAP SUBMITTAL		
Map, Improvements Agreement and Bonds:		
FY 2006-07 (36 units)	10-31-06	
FY 2007-08 (13 units)	07-30-07	
FY 2008-09 (15 units)	07-30-08	
FY 2009-10 (14 units)	07-30-09	
IV. BUILDING PERMIT SUBMITTAL		
Submit plans to Building Division for plan check:		
FY 2006-07 (36 units)	01-02-07	
FY 2007-08 (13 units)	08-15-07	
FY 2008-09 (15 units)	08-15-08	
FY 2009-10 (14 units)	08-15-09	
V. BUILDING PERMITS		
Obtain Building Permits:		
FY 2006-07 (36 units)	09-30-08	<i>Sept. 30, 2009</i>
FY 2007-08 (13 units)	03-30-09	<i>June 30, 2010</i>
FY 2008-09 (15 units)	06-30-09	<i>June 30, 2010</i>
FY 2009-10 (14 units)	09-30-09	<i>Jan. 31, 2011</i>

Failure to obtain building permits by the dates listed above shall result in the loss of building allocations. Submitting a Final Map Application or a Building Permit one (1) or more months beyond the filing dates listed above shall result in the applicant being charged a processing fee equal to double the building permit plan check fee and/or double the map checking fee to recoup the additional costs incurred in processing the applications within the required time limits. Additionally, failure to meet the Final Map Submittal and Building Permit Submittal deadlines listed above may result in loss of building allocations. In such event, the property owner must re-apply under the development allotment process outlined in Section 18.78.090 of the Municipal Code if development is still desired.

An exception to the loss of allocation may be granted by the City Council if the cause for the lack of commencement was the City's failure to grant a building permit for the project due to an emergency situation as defined in Section 18.78.140 or extended delays in environmental reviews, permit delays not the result of developer inactions, or allocation appeals processing.

EXHIBIT B

**DEVELOPMENT SCHEDULE MC-04-22: Jarvis – South Valley Developers
FY 06-07 (36 allotments)/FY 07-08 (13 allotments)/
FY 08-09 (15 allotments)/FY 09-10 (14 allotments)**

	Currently Approved Date	Requested Date
I. COMMENCE CONSTRUCTION:		
FY 2006-07 (36 units)	Dec. 31, 2008	<i>Dec. 31, 2009</i>
FY 2007-08 (13 units)	Oct. 30, 2009	<i>Oct. 30, 2010</i>
FY 2008-09 (15 units)	April 30, 2009	<i>Sept. 30, 2010</i>
FY 2009-10 (14 units)	April 30, 2010	<i>April 30, 2011</i>

Failure to commence construction by the dates listed above shall result in the loss of building allocations. In such event, the property owner must re-apply under the development allotment process outlined in Section 18.78.090 of the Municipal Code if development is still desired.

An exception to the loss of allocation may be granted by the City Council if the cause for the lack of commencement was the City's failure to grant a building permit for the project due to an emergency situation as defined in Section 18.78.140 or extended delays in environmental reviews, permit delays not the result of developer inactions, or allocation appeals processing.

If a portion of the project has been completed (physical commencement on at least 3 dwelling units and lot improvements have been installed according to the plans and specifications), the property owner may submit an application for reallocation of allotments. Distribution of new building allocations for partially completed project shall be subject to the policies and procedures in place at the time the reallocation is requested.



MEMORANDUM

To: PLANNING COMMISSION

Date: JANUARY 27, 2009

From: COMMUNITY DEVELOPMENT DEPARTMENT

Subject: ZAA 04-01/DAA 04-08D/DSA 07-06C: Tilton-Glenrock

REQUEST

The applicant is requesting amendment to the project development agreement, development schedule and precise development plan for the Capriano project located on the south side of Tilton Ave. west of the railroad and east of Hale Ave.

RECOMMENDATION

- Applications:
- 1) Open/close public hearing
 - 2) Adopt Resolution not recommending approval of an amended precise development plan.
 - 3) Adopt Resolution recommending approval of amendment to the project development agreement; and approving amended development schedule.

DISCUSSION

Development Agreement Amendment

The applicant has requested the following modifications to the project development agreement:

1. Participation in the BMR reduction program
2. Deferral of the Tilton Ave. project frontage improvements which are currently required to be installed as part of phase 8 to phase 11.
3. Defer the Burnett Elementary School frontage improvements from phase 9 to Phase 11.
4. The costs for the Burnett Elementary School improvements be capped at \$243,000.
5. Eliminate the nursery school site requirement.
6. Pay the difference required under the partial BMR requirement."
7. 48 month extension of Phase 9 & 10 allocations
8. Incorporation of 12 mo. ELBA granted for FY 2006-07 by Council in Nov. 2008

1. BMR Reduction Program: The applicant is requesting participation in the BMR reduction program (Agenda item #1). Participation in the program will require the following language to be inserted into the project development agreement as Section (1.a) under paragraph 14 of the project development agreement:

(1.a) BMR Reduction Program:

A. This project may be eligible for an incremental elimination/reduction of the project BMR requirement for a respective project phase based on the number of building permits commenced prior to or on September 30, 2009. The project may also be eligible for incremental reduction up to 50 percent of the BMR units required for the respective phase for building permits commenced* on or prior to September 30, 2010.*

** "Commenced" as defined in subparagraph 2) below.*

The following table illustrates the possible BMR elimination/reduction:

20-unit phase 8 with 2 or 4 BMR units required within the phase.

20-unit Phase 8	Prior to Sept 30, 2009 = .10 reduction in the required (2) BMRS	After Sept 30, 2009 but prior to Sept. 30 2010 = .05 reduction in the required (2) BMRS	Prior to Sept 30, 2009 = .20 reduction in the required (4) BMRS	After Sept 30, 2009 but prior to Sept. 30 2010 = .10 reduction in the required (4) BMRS
1	.10	.05	.20	.10
5	.50	.25	1.00	.50
10	1.00	.50	2.00	1.00
15	1.50	.75	3.00	1.50
20	2.00	1.00	4.00	2.00

15-unit, phase 9 with 2 BMR units required within the phase.

15-unit phase 9	Prior to Sept 30, 2009 = .13 reduction in the required (2) BMRS	After to Sept 30, 2009 but prior to Sept. 30 2010 = .07 reduction in the required (2) BMRS
1	.13	.07
5	.67	.33
10	1.33	.67
15	2.00	1.00

To be eligible for the elimination or reduction of the BMR requirement as described in the table(s) above, the project must comply with each of the following:

- 1) In addition to all commitments made within this agreement and contained in application **MP 02-03: Tilton-Glenrock** this project shall (certify through Build it Green that models 5 & 6 (as shown on precise approved development plan) score 90 points under the Build it Green checklist, all other models must score 110 points under the Build it Green checklist or the respective phase must include secondary dwelling units in 20 percent of the units contained within the respective phase for which the BMR commitment is eliminated or reduced.*
- 2) All building permits pulled for the respective phase (as defined on the approved precise development plan) for which the BMR elimination or reduction is requested must pass a foundation inspection within 90 days of permit issuance and pass a shear and roof sheeting inspection within 90 days of the foundation inspection in order to be defined as "commenced" for the purposes of the BMR reduction program.*

- 3) *Building permits commenced for subsequent phase(s) will not be acknowledged toward the BMR reduction calculation until all units within a previous phase pass a sheer and roof sheeting inspection.*
- 4) *Any unresolved issues between staff and the project applicant regarding the interpretation and application of the BMR reduction program shall be reviewed and decided by the Planning Commission. The project applicant shall make application to the Planning Commission to resolve any dispute. A decision by the Planning Commission will be final unless an appeal to the City Council is filed within 10-days of notification of the Planning Commission's action.*

If the project fails to meet any of the eligibility requirements as defined above, the project will no longer be eligible for elimination or reduction of the BMRS for any and all current or future phases. Failure to meet the eligibility requirements obligates the project to complete the BMRS per the Housing Needs and Types section of paragraph 14 of this agreement.

B. This project is required to pay the Housing In-Lieu fee/Housing Mitigation fee for any remaining fraction of a Below Market Rate unit commitment which is due at the completion of the entire project. Any fraction of a BMR commitment left from any phase shall be rolled forward into the BMR commitment for the following phase. Any resulting fraction of .5 or greater shall result in the production of an actual BMR unit. If the final building permits are commenced on or prior to September 30, 2010, the project is eligible for a 50 percent reduction of the Housing In-lieu fee/Housing Mitigation fee. The fee may not be paid in advance of the issuance of the final building permit.

*To be considered "commenced" the unit must pass a foundation inspection within 90 days of permit issuance and pass a sheer and roof sheeting inspection within 90 days of the foundation inspection in order to be defined as "**commenced**" for the purposes of the BMR reduction program.*

Units that do not meet the commencement threshold as defined in the above paragraph will be required to pay the balance up to 100 percent of the Housing In-lieu fee/Housing Mitigation fee prior to the issuance of a certificate of occupancy or issuance.

C. In consideration for the City agreeing to enter into the Amendment, Property Owner agrees to defend and indemnify and hold the City, its officers, agents, employees, officials and representatives free and harmless from and against any and all claims, losses, damages, injuries, costs and liabilities arising from any suit for damages or for equitable, declarative or injunctive relief which is filed against City by reason of, arising from or as a result of its approval of this Amendment ("Claim"). Property owner shall pay all attorneys' fees and expenses, staff costs, administrative expenses, consultant costs and expert witness fees and expenses reasonably required to defend against the Claim both before and after the tender to and acceptance by the Property Owner for the defense of the Claim. The undersigned hereby represents that they are fully empowered by the Property Owner as their agent to agree to provide the indemnification, defense and hold-harmless obligations, and the signature below represents the unconditional agreement by Property Owner to be bound by this indemnity.

The current development agreement for the project requires the production of 2 BMRs within Phase 8, two within Phase 9 and two within Phase 10. In November 2006 a revised precise development plan was approved showing 4 BMR units in phase 8, 2 in phase 9 and 0 in phase 10. Prior to finalizing the BMR reduction program language for the Capriano development agreement, it is recommended the Commission decide which number of BMRs is required for Phase 8. If the Commission decides to require 2 per phase, the development will need to be revised to show 2 BMRs per phases; or if the Commission decides to allow 4 BMRS within phase 8, the language in paragraph 14 section (l) iv of the development agreement should be modified as follows:

- (iv) ~~Two (2)~~ **Four (4)** additional BMR units shall be under construction and the framing inspection passed prior to the issuance of any building permits from the 15 building allocations from Fiscal Year 2007-08.

2. Deferral of Frontage Improvements: The applicant has requested that the frontage improvements required in Phase 8 be deferred to Phase 11. The project is fully allocated and does not contain a phase 11. Paragraph 14 section (o) ii the project development agreement currently reads as follows:

- (o) The Property Owner agrees to provide the following Circulation improvements:
 - (ii) Prior to or as part of Phase 8, full frontage improvements (street, curb, gutter, sidewalk, storm, underground utilities) in front of the Berryessa, Silveria & Morgante property and the entire project frontage (including nursery site) on Tilton Ave. shall be completed. All street improvements in R-2 zoning shall be completed.

Through the use of RDCs traffic mitigation funds, the City of Morgan Hill will install the frontage improvements on the south side of Tilton Ave. with the applicant to reimburse the City at the time of issuance of a certificate of occupancy for the phase 8 units. Amendment to this section is no longer needed since the frontage improvements will be installed with phase 8.

3. & 4. Deferral School Improvements and Cost Cap. The applicant also requested the deferral of the improvements on the north side of Tilton to phase 11 and place a cap on the dollar amount due for the school frontage improvements to \$243,000. Paragraph 14 section (o) iv the project development agreement currently reads as follows:

- (o) The Property Owner agrees to provide the following Circulation improvements:
 - (iv) Prior to or as part of Phase 9, full frontage improvements (street, curb, gutter, sidewalk, storm, underground utilities which are in the ROW on Tilton Ave returning on Dougherty Ave.) in front of the Burnett Elementary school for a distance of approximately 598 ft. in length shall be completed at a minimum cost of \$3,000/unit.

Currently there is a lot of student pedestrian movement on Tilton Ave. It is recommended that the timing of these improvement stay within phase 9. The need for the school frontage improvement is currently too great to defer to the completion of the project (2010+).

The commitment to complete frontage improvements for Burnett Elementary School at a cost of \$3000 per unit was included in RDC application MP 02-03: Tilton-Glenrock. Based on the commitments made within that narrative, 119 allocations were awarded. Development agreement DA 03-03 covered 12 allocations and contained language requiring school frontage improvement at a cost of \$3000/unit. Development agreement DA 04-01 covered 24 allocations and contained language requiring frontage improvements at a cost of \$3000/unit. The current development agreement (DA 04-08) contains similar language but inserts the word "minimum." Staff recommends that the word "minimum" be deleted and the applicant's requested "capped" not be inserted because such language would give the impression that only \$243,000 is due for school frontage improvement when the actual total is \$351,000 (or \$357,00 if nursery site is eliminated) based on the number of allocations award to RDCA application MP 02-03.

5. Elimination of the Nursery School Site: The applicant is requesting the elimination of the nursery school site. This requirement is no longer deemed necessary and should be deleted from Ordinance 1818 and paragraph 14 (u) of the development agreement. The deletion of this requirement would increase the project unit total to 212.

~~(u) Lot 33 on the precise development plan dated April 11, 2005, on file with the Community Development Department shall be utilized as a nursery or preschool facility. Elimination of this requirement shall not be considered by the Planning Commission and City Council until one year from the date of the issuance of the last building permit for the last residential unit within the entire RPD. The applicant must also show at that unsuccessful attempts have been made in obtaining a developer/operator for the childcare facility. Should the City Council eliminate this requirement, the applicant will be granted 2 building allocations from the City's on-going project set aside for the residential development of lot 33.~~

6. Partial BMR Payment: The applicant has requested to "pay the difference required under the partial BMR requirement." Paragraph 14 (l) vi currently reads as follows:

- (l) Property Owner agrees to include the following **Affordable Housing** features in the development:
 - (vi) Prior to the issuance of the final three building allocations for Fiscal Year 2008-09, the final BMR unit shall be under construction and framing inspection passed prior to the issuance of the (79th) building permit. The .2 fraction that may occur with the two unit build out of the Nursery lot will be paid in prior to the issuance of building permits for any unit constructed on the Nursery lot.

This topic was covered in the Commission's workshop discussions of BMR reduction program. The BMR Reduction Program language paragraph B addresses the topic of resulting fractions and when the fractional payment is due. The current statement within the development agreement is consistent with the BMR reduction program requirement that BMR fractions are to roll forward to the next phase and the payment of the fraction is due at the end of the project.

7 & 8 Development Schedule Amendment:

The applicant has requested a 48 month extension of the FY 2007-08 & 2008-09 allocations. The project also recently received approval of a 12 month ELBA for FY 2006-07. The following tables show the project's development schedule and commencement dates with past extensions and the applicant's current request. The far right hand column shows the staff recommended changes. The extension dates recommended are consistent with the recommended dates for projects seeking extensions as part of Agenda Item #2 for the same fiscal year.

BLDG.PERMITSUBMITTAL Submit to Bldg Div.	Original Dates	Nov. 2005	Jan. 2007	Sept. 2007	Current Request	Staff Rec.
FY 2005-06 Phase 7 (34 units)	08-15-05	(+6 mo) 03-15-06				
FY 2006-07 Phase 8 (20 units)	08-15-06		(+10 mo) 06-15-07			(+24 mo) 06-30-09
FY 2007-08 Phase 9 (15 units)	08-15-07		(+10 mo) 06-15-08			(+19 mo) 01-30-10
FY 2008-09 Phase 10 (12 units)	08-15-08		(+10 mo) 06-15-09			(+24 mo) 01-30-10
BUILDING PERMITS Obtain Building Permits						
FY 2005-06 Phase 7 (34 units)	09-30-05	(+8 mo) 05-30-06				
FY 2006-07 Phase 8 (20 units)	09-30-06		(+12 mo) 09-30-07	(+10 mo) 06-01-08		(+12 mo) 10-30-09
FY 2007-08 Phase 9 (15 units)	09-25-07		(+8 mo) 06-30-08	(+12 mo) 02-27-09	(+48 mo) 02-27-13	(+14 mo) 04-30-10
FY 2008-09 Phase 10 (12 units)	09-25-08		(+8 mo) 06-30-09		(+48 mo) 06-30-13	(+24 mo) 04-30-10

DEVELOPMENT AGREEMENT

Commencement of Construction	Original Dates	September 2007	November 2008	Current Request	Staff Rec.
FY 2005-06 Phase 7 (34 units)	06-30-06				
FY 2006-07 Phase 8 (20 units)	06-30-07	(+6 mo) 12-01-08	(+12 mo) 12-01-09		
FY 2007-08 Phase 9(15 units)	06-30-08	(+9 mo) 3-30-09		(+48 mo.) 03-30-13	(+15 mo.) 06-30-10
FY 2008-09 Phase 10 (12 units)	06-30-09			(+48 mo.) 06-30-13	(+12 mo.) 06-30-10

Precise Development Plan Modifications

The applicant is proposing an amended precise development plan for phases 8-10 of the Capriano project. The proposed development plan changes are as follows:

Phase 8:

- Elimination of the BMR model 130 on lots 1 & 7 and replaces them with market rate models 5 & 6.
- Elimination of BMRs proposed on lots 17 & 18; each will remain as the model 130 but will be sold as market rate.

Phase 9:

- Elimination of one of the two required BMRs. The RPD plan approved by Council included 2 BMRs (lots 11 & 12) within phase 9.
- Elimination of the BMR model 130 on lot 11 replace it with market rate model 6; lot 12 would remain as a BMR as a model 130.

The applicant is proposing to retain 2, model 130's in Phase 8 and one, model 130 in Phase 9. With the three elevations provided for models 5 & 6, the project will be able to meet the "repeat" factor requirement (<3.5) and (10%) housing types requirement per phase. However, the proposed development plan modifications assume full compliance with the BMR reduction program for both phase 8 and phase 9. The proposed plan will leave the potential for the production of three BMR units. Approval of the proposed development plan modifications is not recommended since full compliance with the BMR reduction program cannot be guaranteed. Also the BMR reduction program discussions were based on the retention of the BMR models for size/diversity purposes. If the applicant is not successful with the BMR reduction program, the lack of smaller units (overall and per phase) could make it difficult to fulfill BMR commitment as contained in the project development agreement because the larger units would sell for more even under the BMR program. If the Commission wishes to consider the proposed plan modifications, it is recommend that language be included with the development agreement restricting the sales prices of the BMR to the sizes and locations to those originally proposed in the November 2006 approved development plan. For example, if the BMR plan (1,973 sq. ft.) on lot 1 is changed to a model 5 (2,615 sq. ft.) and the applicant is not successful with the BMR reduction program, model 5 on lot 1 will become the BMR unit and sold at the same price as the originally proposed 1973 sq. ft. BMR unit.

RECOMMENDATION

It is recommended that the Commission adopt a resolution recommending Council approval of a development agreement amendment to achieve the following:

- Participation in the BMR reduction program
- Clarification of the number of BMRs required in phase 8
- Grant extensions to the FY 2007-08 & 2008-09 project allocations
- Clarify a minimum of \$3000/per unit for school frontage improvements
- Elimination of the nursery school site.

Due to the uncertainty of the project's performance under the BMR reduction program the propose development plan modifications are not recommended. The proposed development plan changes will also significantly reduce the size and price diversity offered within the remaining phases of the project.

Attachments:

1. Applicant's letter of request
2. Resolution recommending development agreement amendment & development schedule amendment approval.
3. Resolution denying proposed precise development plan amendments
4. Precise development plan.

RESOLUTION NO. 09

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF MORGAN HILL RECOMMENDING CITY COUNCIL DENIAL OF THE ZONING AMENDMENT REQUEST TO AMEND THE PRECISE DEVELOPMENT FOR THE CAPRIANO PROJECT LOCATED ON THE SOUTH SIDE OF TILTON AVE. WEST OF THE RAILROAD AND EAST OF HALE AVE. (APNS 817-11-067 & 817-11-072)

WHEREAS, On May 18, 2005 the City Council adopted Ordinance Number 1724 which set a development schedule for the 81 building allocations awarded to MP 02-03: Tilton-Glenrock; and

WHEREAS, the City Council of the City of Morgan Hill on February 28, 2007 adopted Ordinance 1818 which established a precise development plan for the Capriano project.

WHEREAS, the amendment has requested to eliminate 3 of the 6, Model No 130's and replace with Models 5 & 6 which are 642 sq. ft. – 819 sq. ft. larger, respectively.

WHEREAS, the proposed amendment to the adopted plan would create inconsistencies with the project's obligation to provide 6 Below Market Rate Units per the recorded project development agreement; and

WHEREAS, the project will be able to participate in the City's Below Market Rate Unit Reduction Program but the resulting reduction if any, is unknown so the project must have the ability to fulfill the Below Market Rate Unit obligations as required by the project development agreement.

NOW, THEREFORE, THE MORGAN HILL PLANNING COMMISSION DOES RESOLVE AS FOLLOWS:

SECTION 1. The Planning Commission does not recommend approval of the amended development plan date stamped November 4, 2008 due to the plans inconsistency with paragraph 14 of the project development agreement (DA 04-08) subsection (l) which specifies the number of BMR units required within phases 7, 8, 9 & 10 of the Capriano project.

SECTION 2. The Planning Commission does not recommend elimination of Model 130 on lots 8-1, 8-7 and 9-11 because the smaller models/floor plans add to neighborhood diversity and provide moderate rate housing within the community.

PASSED AND ADOPTED THIS 27TH DAY OF JANUARY 2009, AT A REGULAR MEETING OF THE PLANNING COMMISSION BY THE FOLLOWING VOTE:

AYES: COMMISSIONERS:

NOES: COMMISSIONERS:

ABSTAIN: COMMISSIONERS:

ABSENT: COMMISSIONERS:

ATTEST:

APPROVED:

FRANCES O. SMITH, Deputy City Clerk

SUSAN KOEPP-BAKER, CHAIR

RESOLUTION NO. 09-

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF MORGAN HILL RECOMMENDING APPROVAL OF DEVELOPMENT AGREEMENT AMENDMENT APPLICATION DAA 04-08: TILTON-GLENROCK RECOMMENDING A 12 MONTH EXTENSION OF THE FY 2006-07 ALLOCATIONS, 15 MONTH EXTENSION OF THE FY 2007-08 ALLOCATIONS AND A 12 MONTH EXTENSION OF THE FY 2008-09 ALLOCATIONS, APPROVING AN AMENDMENT TO THE DEVELOPMENT SCHEDULE, INSERTING LANGUAGE INTO THE PROJECT AGREEMENTS WHICH WILL ALLOW FOR THE POTENTIAL REDUCTION IN THE PROJECT BMR COMMITMENTS, AND OTHER MINOR LANGUAGE AMENDMENTS TO PARAGRAPH 14 OF THE DEVELOPMENT AGREEMENT. (APNS 817-11-067 & 817-11-072)

WHEREAS, the Planning Commission, pursuant to Chapter 18.78.125 of the Morgan Hill Municipal Code, awarded 81 building allotments for application MP 02-03: Tilton-Glenrock: 34 allocations FY 2005-06, 20 allocations for FY 2006-07, 15 allocations for FY 2007-08 & 12 allocations for FY 2008-09; and

WHEREAS, the City Council of the City of Morgan Hill has adopted Resolution No. 4028, establishing a procedure for processing Development Agreements for projects receiving allotments through the Residential Development Control System, Title 18, Chapter 18.78 of the Morgan Hill Municipal Code; and

WHEREAS, Sections 65864 through 65869.5 of the California Government Code authorizes the City of Morgan Hill to enter into binding Development Agreements with persons having legal or equitable interests in real property for the development of such property; and

WHEREAS, On May 18, 2005 the City Council adopted Ordinance Number 1724 which set a development schedule for the 81 building allocations awarded to MP 02-03: Tilton-Glenrock; and

WHEREAS, Municipal Code Section 18.78.125 G, allows an exception to the loss of allotment be granted if the cause for the lack of commencement is not the result of developer inaction or due to circumstances outside of the developer's control.

WHEREAS, the applicant has been diligent in pursuing all necessary approvals but the housing market has significantly slowed, thus additional time is needed before lenders will allow new construction to proceed; and

WHEREAS, the City Council has previously recognized downturns in the housing market as circumstance for exceptions to the loss of building allocations.

WHEREAS, the amended development schedule for application MP 02-03: Tilton-Glenrock was considered by the Planning Commission at their regular meeting of January 27, 2009, at which time the Planning Commission recommended approval of the amended development schedule.

WHEREAS, the City Council on October 15, 2008, directed staff to undertake activities that would allow for the implementation of a program to allow for the reduction of the project commitments for production of below market rate units.

WHEREAS, the applicant is requesting to amend the development agreement for phases 7-10 of the Capriano project in order to allow for the potential reduction in the number of below market rate units required for their project and other amendments to paragraph 14 of the development agreement; and

WHEREAS, that given the extraordinary housing and financing market conditions that have existing for over a year and are likely to continue for at least a year, the deviation of points for the subject project under the RDCS competition scoring process will not cause the City to rescind the subject development allotments.

WHEREAS, the development agreement amendment request was considered by the Planning Commission at their regular meeting of January 27, 2009, at which time the Planning Commission recommended approval of the development agreement amendments; and

WHEREAS, testimony received at a duly-noticed public hearing, along with exhibits and drawings and other materials have been considered in the review process.

NOW, THEREFORE, THE MORGAN HILL PLANNING COMMISSION DOES RESOLVE AS FOLLOWS:

SECTION 1. ADOPTION OF AMENDED DEVELOPMENT SCHEDULE. The Planning Commission hereby adopts the Amended Development Schedule for MP 02-03: Tilton-Glenrock attached to this Resolution as Exhibit A.

SECTION 2. The Planning Commission recommends approval of the development agreement amendment as shown in the attached Exhibit B. The proposed amendment will incorporate the 12-month extension of the FY 2006-07 allocations granted by the Council in November 2008, a 15-month extension of the FY 2007-08 allocations and a 12-month extension of the 2008-09 allocations.

SECTION 3. The Planning Commission hereby recommends the following modifications to Paragraph 14 of the development agreement:

A. The following language shall be inserted into the project development agreement as Section (l.a) under paragraph 14:

(l.a) BMR Reduction Program:

A. This project may be eligible for an incremental elimination/reduction of the project BMR requirement for a respective project phase based on the number of building permits commenced* prior to or on September 30, 2009. The project may also be eligible for incremental reduction up to 50 percent of the BMR units required for the respective phase for building permits commenced* on or prior to September 30, 2010.

* "Commenced" as defined in subparagraph 2) below.

The following table illustrates the possible BMR elimination/reduction:

20-unit phase 8 with 2 or 4 BMR units required within the phase.

20-unit Phase 8	Prior to Sept 30, 2009 = .10 reduction in the required (2) BMRS	After Sept 30, 2009 but prior to Sept. 30 2010 = .05 reduction in the required (2) BMRS	Prior to Sept 30, 2009 = .20 reduction in the required (4) BMRS	After Sept 30, 2009 but prior to Sept. 30 2010 = .10 reduction in the required (4) BMRS
1	.10	.05	.20	.10
5	.50	.25	1.00	.50
10	1.00	.50	2.00	1.00
15	1.50	.75	3.00	1.50
20	2.00	1.00	4.00	2.00

15-unit, phase 9 with 2 BMR units required within the phase.

15-unit phase 9	Prior to Sept 30, 2009 = .13 reduction in the required (2) BMRS	After to Sept 30, 2009 but prior to Sept. 30 2010 = .07 reduction in the required (2) BMRS
1	.13	.07
5	.67	.33
10	1.33	.67
15	2.00	1.00

To be eligible for the elimination or reduction of the BMR requirement as described in the table(s) above, the project must comply with each of the following:

- 1) In addition to all commitments made within this agreement and contained in application **MP 02-03: Tilton-Glenrock** this project shall (certify through Build it Green that models 5 & 6 (as shown on precise approved development plan) score 90 points under the Build it Green checklist, all other models must score 110 points under the Build it Green checklist or the respective phase must include secondary dwelling units in 20 percent of the units contained within the respective phase for which the BMR commitment is eliminated or reduced.
- 2) All building permits pulled for the respective phase (as defined on the approved precise development plan) for which the BMR elimination or reduction is requested must pass a foundation inspection within 90 days of permit issuance and pass a shear and roof sheeting inspection within 90 days of the foundation inspection in order to be defined as "commenced" for the purposes of the BMR reduction program.

- 3) *Building permits commenced for subsequent phase(s) will not be acknowledged toward the BMR reduction calculation until all units within a previous phase pass a sheer and roof sheeting inspection.*
- 4) *Any unresolved issues between staff and the project applicant regarding the interpretation and application of the BMR reduction program shall be reviewed and decided by the Planning Commission. The project applicant shall make application to the Planning Commission to resolve any dispute. A decision by the Planning Commission will be final unless an appeal to the City Council is filed within 10-days of notification of the Planning Commission's action.*

If the project fails to meet any of the eligibility requirements as defined above, the project will no longer be eligible for elimination or reduction of the BMRS for any and all current or future phases. Failure to meet the eligibility requirements obligates the project to complete the BMRS per the Housing Needs and Types section of paragraph 14 of this agreement.

B. This project is required to pay the Housing In-Lieu fee/Housing Mitigation fee for any remaining fraction of a Below Market Rate unit commitment which is due at the completion of the entire project. Any fraction of a BMR commitment left from any phase shall be rolled forward into the BMR commitment for the following phase. Any resulting fraction of .5 or greater shall result in the production of an actual BMR unit. If the final building permits are commenced on or prior to September 30, 2010, the project is eligible for a 50 percent reduction of the Housing In-lieu fee/Housing Mitigation fee. The fee may not be paid in advance of the issuance of the final building permit.

To be considered "commenced" the unit must pass a foundation inspection within 90 days of permit issuance and pass a shear and roof sheeting inspection within 90 days of the foundation inspection in order to be defined as "commenced" for the purposes of the BMR reduction program.

Units that do not meet the commencement threshold as defined in the above paragraph will be required to pay the balance up to 100 percent of the Housing In-lieu fee/Housing Mitigation fee prior to the issuance of a certificate of occupancy or issuance.

C. In consideration for the City agreeing to enter into the Amendment, Property Owner agrees to defend and indemnify and hold the City, its officers, agents, employees, officials and representatives free and harmless from and against any and all claims, losses, damages, injuries, costs and liabilities arising from any suit for damages or for equitable, declarative or injunctive relief which is filed against City by reason of, arising from or as a result of its approval of this Amendment ("Claim"). Property owner shall pay all attorneys' fees and expenses, staff costs, administrative expenses, consultant costs and expert witness fees and expenses reasonably required to defend against the Claim both before and after the tender to and acceptance by the Property Owner for the defense of the Claim. The undersigned hereby represents that they are fully empowered by the Property Owner as their agent to agree to provide the indemnification, defense and hold-harmless obligations, and the signature below represents the unconditional agreement by Property Owner to be bound by this indemnity.

B. The word "minimum" shall be struck from Section (o) subsection (iv) as shown below:

(o) The Property Owner agrees to provide the following Circulation improvements:

(iv) Prior to or as part of Phase 9, full frontage improvements (street, curb, gutter, sidewalk, storm, underground utilities which are in the ROW on Tilton Ave returning on Dougherty Ave.) in front of the Burnett Elementary school for a distance of approximately 598 ft. in length shall be completed at a ~~minimum~~ cost of \$3,000/unit.

C. Section (u) of paragraph 14 shall be deleted.

~~(u) — Lot 33 on the precise development plan dated April 11, 2005, on file with the Community Development Department shall be utilized as a nursery or preschool facility. Elimination of this requirement shall not be considered by the Planning Commission and City Council until one year from the date of the issuance of the last building permit for the last residential unit within the entire RPD. The applicant must also show at that unsuccessful attempts have been made in obtaining a developer/operator for the childcare facility. Should the City Council eliminate this requirement, the applicant will be granted 2 building allocations from the City's on-going project set-a-side for the residential development of lot 33.~~

PASSED AND ADOPTED THIS 27th DAY OF JANUARY 2009, AT A REGULAR MEETING OF THE PLANNING COMMISSION BY THE FOLLOWING VOTE:

AYES: COMMISSIONERS:

NOES: COMMISSIONERS:

ABSTAIN: COMMISSIONERS:

ABSENT: COMMISSIONERS:

ATTEST:

APPROVED:

FRANCES O. SMITH, Deputy City Clerk

SUSAN KOEPP-BAKER, Chair

EXHIBIT "A"

DEVELOPMENT SCHEDULE MP-02-03: Tilton-Glenrock
FY 2005-06 34 allocations/FY 2006-07 20 allocations/FY 2007-08 15 allocations/FY 2008-09 12 allocations

	Approved Dates	Currently Requested Dates
I. SUBDIVISION AND ZONING APPLICATIONS		
Zoning Amendment & Subdivision Application Filed:	06-30-04	
II. SITE REVIEW APPLICATION		
Application Filed:	06-30-05	
III. FINAL MAP SUBMITTAL		
Maps & Improvements Agreement and Bonds:		
FY 2005-06 (34 units)	02-28-06	
FY 2006-07 (20 units)	05-30-07	
FY 2007-08 (15 units)	04-30-08	
FY 2008-09 (12 units)	04-30-09	
IV. BUILDING PERMIT SUBMITTAL		
Submit plans to Building Division for plan check:		
FY 2005-06 (34 units)	03-15-06	
FY 2006-07 (20 units)	06-15-07	<i>06-30-09</i>
FY 2007-08 (15 units)	06-15-08	<i>01-30-10</i>
FY 2008-09 (12 units)	06-15-09	<i>01-30-10</i>
V. BUILDING PERMITS		
Obtain Building Permits:		
FY 2005-06 (34 units)	05-30-06	
FY 2006-07 (20 units)	06-01-08	<i>10-30-09</i>
FY 2007-08 (15 units)	02-27-09	<i>04-30-10</i>
FY 2008-09 (12 units)	06-30-09	<i>04-30-10</i>

Failure to obtain building permits and commence construction by the dates listed above shall result in the loss of building allocations. Submitting a Final Map Application or a Building Permit one (1) or more months beyond the filing dates listed above shall result in the applicant being charged a processing fee equal to double the building permit plan check fee and/or double the map checking fee to recoup the additional costs incurred in processing the applications within the required time limits. Additionally, failure to meet the Final Map Submittal and Building Permit Submittal deadlines listed above may result in loss of building allocations. In such event, the property owner must re-apply under the development allotment process outlined in Section 18.78.090 of the Municipal Code if development is still desired.

An exception to the loss of allocation may be granted by the City Council if the cause for the lack of commencement was the City's failure to grant a building permit for the project due to an emergency situation as defined in Section 18.78.140 or extended delays in environmental reviews, permit delays not the result of developer inactions, or allocation appeals processing.

If a portion of the project has been completed (physical commencement on at least 40 dwelling units and lot improvements have been installed according to the plans and specifications), the property owner may submit an application for reallocation of allotments. Distribution of new building allocations for partially completed project shall be subject to the policies and procedures in place at the time the reallocation is requested.

EXHIBIT "B"

DEVELOPMENT SCHEDULE MP-02-03: Tilton-Glenrock
FY 2005-06 34 allocations/FY 2006-07 20 allocations
FY 2007-08 15 allocations/FY 2008-09 12 allocations

	Currently Approved Dates	Requested Dates
I. COMMENCE CONSTRUCTION:		
Commence Construction:		
FY 2005-06 (34 units)	06-30-06	
FY 2006-07 (20 units)	12-01-08	<i>12-01-09</i>
FY 2007-08 (15 units)	03-30-09	<i>06-30-10</i>
FY 2008-09 (12 units)	06-30-09	<i>06-30-10</i>

Failure to commence construction by the date listed above shall result in the loss of building allocations. In such event, the property owner must re-apply under the development allotment process outlined in Section 18.78.090 of the Municipal Code if development is still desired.

An exception to the loss of allocation may be granted by the City Council if the cause for the lack of commencement was the City's failure to grant a building permit for the project due to an emergency situation as defined in Section 18.78.140 or extended delays in environmental reviews, permit delays not the result of developer inactions, or allocation appeals processing.

If a portion of the project has been completed (physical commencement on at least 40 dwelling units and lot improvements have been installed according to the plans and specifications), the property owner may submit an application for reallocation of allotments. Distribution of new building allocations for partially completed project shall be subject to the policies and procedures in place at the time the reallocation is requested.

PLANNING DEPT.

NOV 04 2008

CITY OF MORGAN HILL

November 4, 2008

Mr. Jim Rowe

Ms. Terry Linder

Community Development Department

17555 Peak Avenue

Morgan Hill CA 95037

Re: DDA; Participation in BMR reduction, other clean up issues
+ Zoning Amendment (RPD)

Dear Jim and Terry,

Thank you for your letter of October 30, 2008 re: BMR Reduction Plan. As we have been a participant in most of the discussions regarding the BMR reduction we are pleased the City is giving homebuilders an opportunity to "start again" in this unbelievable horrible housing market.

Parkside at Capriano has recorded two maps: Tract 9919 and Tract 9942. We have completed the offsite improvements on 44 lots and bonded for all improvements for the 3 lots on Tilton east of Dougherty. It is our intention, if our bank lends, to begin construction on Tract 9919 before April 30, 2009. This would entail all of Lots 1-20. Within this Tract/subdivision we have 4 BMRs of the six BMRs owed prior to our participation in the Reduction Program. Lot 1 & 2 original floor Plans will be changed to floor Plans 6 & 5 respectively. Lots 17 & 18 building plans (1515 sq ft) will remain however these units will be sold as market rate units. In meeting the 5% BMR requirement for the balance of the 27 lots, Tract 9942 Lot 9-12 would remain a BMR and Lot 9-11 would be changed to a Plan 6. We will pay the difference required under the partial BMR requirement.

We are proposing "enhancements" to qualify for a public benefit by "going more green" and create as many granny units as possible in the large homes. Specifically, we will incorporate SEERs ducting methods which will seal our HVAC ducts in all units and have the work verified. We will mitigate and upgrade our landscape sprinkler system to each home to make it conserve water as much as reasonably possible. All Plan 3 homes will convert part of the garage to granny units. This will add 4 more grannies to our project.

With regards to clarifications and changes to our DDA we ask:

1. Change: 14 (o) (ii) "Prior to or as part of Phase 8, full frontage improvements (street, curb, gutter, sidewalk, storm, underground utilities) in front of the Berryessa, Silveria, and Morgante property and the entire project frontage (including nursery site) on Tilton shall be completed: TO: paragraph 14 (o) (ii) Prior to or as part of Phase 11, full frontage improvements (street, curb, gutter, sidewalk, storm,

DAA-04-08D/DSA-07-06C
ZAA-04-01
TILTON-GLENROCK

underground utilities) in front of the Berryessa, Silveria, Morgante property(ies) shall be completed." We have bonded the three lots west of the Berryessa, Silveria, and Morgante properties and have completed the entire frontage on Tilton west of Dougherty.

2. Change: 14 (o)(iv) Prior to or as part of Phase 9, full frontage improvements (street, curb, gutter, sidewalk, storm, underground utilities which are in the ROW on Tilton Avenue returning on Dougherty Avenue) in front of the Burnett Elementary School for a distance of approximately 598 ft in length shall be completed at a minimum cost of \$3000/unit: TO: "Prior to or as part of Phase 11 offsite frontage improvements (street, curb, gutter, sidewalk, storm, underground utilities which are in the ROW on Tilton Avenue returning on Dougherty Avenue) in front of the Burnett Elementary School for a maximum distance of 598' and a maximum cost of \$243,000." Per our Measure C application we committed to a maximum of \$3,000 per unit in this category; we have already installed and the City accepted school caution lights, engineering costs and other improvements to date in the approximate amount of \$89,000.

3. Lot 33 restrictions as a nursery to be removed and allow a Parcel Map to be record creating 2 lots. This restriction had a sunset clause that required us to attempt to sell/lease/build Lot 33 as a nursery school. Over the past 5 years we have had three inquiries; none qualified. Allowing us to build 2 large market rate homes will complete our Capriano project. It is necessary for us to include these "two lots" in our application to the Department of Real Estate.

4. As part of this DDA we believe we need approval to "lot line adjust" Lot 1 & 2 of Tract 9919 to reflect Plans 5 & 6 as shown on our exhibit.

~~As I understand we also need a Zoning Change to reflect some of the changes noted above. We will submit that package early next week.~~ *ccps*

Thank you in advance for all your help.

Rocke Garcia



Glenrock Builders, Inc.

DAA-04-08D/DSA-07-06C
ZAA-04-01
TILTON-GLENROCK



AGENDA ITEM
NO. 4

MEMORANDUM

To: PLANNING COMMISSION

Date: January 27, 2009

From: COMMUNITY DEVELOPMENT DEPARTMENT

Subject: ZONING AMENDMENT ZA-07-10, DEVELOPMENT AGREEMENT DA-07-04, AND DEVELOPMENT SCHEDULE DS-08-04: GINGER- MURRAY

REQUEST

The request is to approve a precise development plan, development agreement and development schedule for a five-unit single-family development proposed on a 0.74-acre site located on the south side of Peebles Avenue bounded by Rose Lane and Ginger Way.

BACKGROUND

The project proposes five single-family dwellings on an approximate 0.74-acre parcel. The project was awarded five building allotments through the Residential Development Control System (RDSCS) as follows: two units for FY 2007-08 and three units for FY 2008-09. The two, FY 07-08 allotments have since expired leaving the applicant with only three remaining building allotments.

On October 28, 2008, the Planning Commission reviewed the applicant's request for a zoning amendment, development agreement and development schedule. The items were continued to Jan. 27, 2009, however, due to unresolved issues regarding project density and lot configuration. The applicant was asked to submit revised plans to the City by Jan. 5, 2009 based on direction to be provided by the City. Unfortunately, City staff was not able to provide the applicant direction in time for a Jan. 5 resubmittal. The applicant submitted revised plans on Jan. 8 without the benefit of City direction, and therefore, the plans do not reflect changes needed to: 1) make the project consistent with the General Plan; 2) identify the current number of allotments awarded to the project (three allotments); and 3) reflect a master plan and lot configuration that staff can support as part of a planned development zoning request. A meeting between the applicant and City Staff to discuss the unresolved issues is tentatively scheduled for the last week of January.

RECOMMENDATION

Staff recommends tabling the items to allow additional time for Staff and the applicant to work together to resolve the outstanding density and lot configuration issues.



MEMORANDUM

Date: JANUARY 27, 2009
To: PLANNING COMMISSION
From: COMMUNITY DEVELOPMENT DEPARTMENT
Subject: RESIDENTIAL DEVELOPMENT CONTROL SYSTEM – FOURTH QUARTERLY
REPORT FOR 2008

REQUEST

This RDCS Quarterly Report is presented to the Planning Commission, as required by Section 18.78.150 of the Municipal Code, to allow the Commission to review the progress of Residential Development Control System (RDCS) approved projects and if necessary, make recommendations to the City Council regarding the rescission of building allotments.

RECOMMENDATION

- 1) Staff recommends that the Planning Commission approve the RDCS Quarterly Report by minute action.

PROJECT ASSESSMENT

REPORT OBJECTIVES

The purposes of the RDCS Quarterly Report are to monitor the progress of approved projects, and where satisfactory progress is not being made, to take actions, which can result in the rescission and redistribution of building allotments to projects, which can be completed within required time frames.

PROGRESS OF PROJECTS

Entitlements Pending

The following project phases are classified as being BEHIND SCHEDULE:

Depot-The Granary (MC-05-12) This project does not have a filed Development Agreement. It was scheduled to submit for Final Map and Site Review by February 1, 2008, and obtain building permits by July 1, 2008 (hard-deadlines according to the Standard Development Schedule). The commence construction date is June 30, 2009. The project is not viable with the current 12-unit building allotment and the applicant is waiting for adopting of the Downtown Specific Plan to add additional density and dwelling units to the project. To preserve the current allotment, the applicant will need to apply for an

exception to loss of building allotment (ELBA) prior to June 30, 2009.

Tilton-Glenrock (MP-02-03) This project was scheduled to submit for Building Plan Check by June 15, 2008. A Development Agreement Amendment and a Development Schedule Amendment are in the process and are scheduled for the Jan. 27, 2009 PC meeting.

Monterey-Alcini (MC-05-05) This project was scheduled to submit for Final Map by Oct. 31, 2008 and Building Plan Check by Dec. 31, 2008. They have filed an application for a Development Agreement Amendment and a Development Schedule Amendment.

Ginger (Taylor)-Murray (MMC-04-09) The recommended schedule for the 2008-09 project had a Final Map submittal deadline of Feb. 1, 2008. The Environmental Assessment report is complete and in its 20-day circulation. The Zoning Amendment, Subdivision and Development Agreement and the Development Schedule are in process and are scheduled for the Jan. 27, 2009 PC meeting.

E. Third-Glenrock (MC-05-11) The recommended schedule had a Zoning Amendment, Subdivision and Development Agreement submittal deadline of Sept. 4, 2007 (13 mos. behind), a Final Map and Site Review submittal of Feb 1, 2008 (8 mos. behind) and a hard deadline for issuance of permits by Sept. 2, 2008. (Applicant will be notified by certified mail.)

Monterey-Sherman (MC-05-04) The standard Development Schedule had a Zoning Amendment, Subdivision and Development Agreement submittal deadline of Sept. 1, 2008. (Applicant was notified by certified mail dated Sept. 9, 2008.) these deadlines have not been met.

Construction Pending/Completed

Since the last report, RDCS projects have secured 0 building permits, and completed construction of 14 homes.

Projects Completed

The following projects or project phases have completed their units and will no longer be reported: Peet-Lupine (MP-02-12) FY 2006-07.

BUILDING ALLOTMENT DISTRIBUTION

In accordance with Section 18.78.030 of the Municipal Code and City Council policy, the Planning Commission is charged with the distribution of building allotments under the City's Residential Development Control System. Staff has included tables, which illustrate the availability and anticipated utilization of allotments from the "partially completed" "micro", "small vertical mixed use", "downtown area open market," "small project competition," and "Measure F" set asides are also included. The tables have been updated to reflect the completion of Affordable Set-aside projects. The Partially Completed and Ongoing Projects category has been revised to include only projects where allotments have not been distributed.

PROJECTED POPULATION ESTIMATE

As of this quarterly report, the future projected population for the City of Morgan Hill will be 41,730. This figure includes California Department of Finance population estimates for January 1, 2008, the dwelling units under construction, and the build out of all allocated units under the RDCS.

AFFORDABILITY LEVELS

In the 2007 calendar year, 170 dwelling units were finalized. The following gives a breakdown of their levels of affordability:

Affordability Level	Number of Units	Percentage
Very Low	54	32%
Low (includes 2 Secondary Dwelling Units)	5	2%
Median	2	1%
Moderate	20	12%
Above Moderate	89	53%
Total	170	100%

CONCLUSION/RECOMMENDATIONS

The Commission is asked to review the Quarterly Report and approve it by minute action.

Attachments:

- Table Illustrating Progress of Projects
- Tables Illustrating Availability/Use of "Partially Completed", "Affordable," "Micro," "Small Vertical Mixed Use," "Downtown Area Open Market," "Small Project Competition," and "Measure F"
- Table Showing Distribution of Allotments for Fiscal Years 4Q08 – 2Q11
- Table Showing Status of Submittal Deadlines
- "Facts and Trends" Table
- Silicon Valley Real Estate Sales for the Cities of Morgan Hill, San Martin & Gilroy

RDCS PROJECTS - FISCAL YEAR 2004-05 ALLOTMENT

PROJECT & FILE #	ALLOCATION DATE	# OF UNITS	PERMITS ISSUED	UNITS FINALED	DATE OF MOST RECENT ENTITLEMENT	NEXT STEP DEADLINE
Hill-Gera (MP-02-17)	3/22/04	6	6	3	Finald 3 units	Complete construction
TOTALS		6	6	3		

RDCS PROJECTS - FISCAL YEAR 2005-06 ALLOTMENT

PROJECT & FILE #	ALLOCATION DATE	# OF UNITS	PERMITS ISSUED	UNITS FINALED	DATE OF MOST RECENT ENTITLEMENT	NEXT STEP DEADLINE
Barrett-Ditri (MP-02-20)	5/27/03	9	9	7	3Q/08 Finald 1 units	Complete construction
Hill-Gera (MP-02-17)	4/13/04	3	3	0	3Q/06 pulled 3 permits	Complete construction
Native Dancer-Quail Meadows (MMP-03-01)	4/22/03	4	2	1	4Q/08 DSA & DAA approved	12/17/10 obtain BP & commence construction
TOTALS		16	14	8		

RDCS PROJECTS - FISCAL YEAR 2006-07 ALLOTMENT

PROJECT & FILE #	ALLOCATION DATE	# OF UNITS	PERMITS ISSUED	UNITS FINALED	DATE OF MOST RECENT ENTITLEMENT	NEXT STEP DEADLINE
Tilton-Glenrock (MP-02-03)	5/27/03	20	0	0	4Q/08 ELBA filed	12/1/09 Commence const.
Peet-Lupine Investors (MP-02-12)	5/27/03	12	12	12	4Q/08 Finalized 5 units	PROJECT COMPLETE
Peet-Lupine Investors (MC-04-25)	3/1/05	18	0	0	4Q/08 DAA in process	2/28/09 BPC submittal due
Mission View-Mission Ranch (MC-04-26)	3/1/05	18	18	17	3Q/08 finalized 4 units	Complete construction
Wright-Dividend (MC-04-27)	3/1/05	6	0	0	4Q/08 FM approved	9/31/10 Obtain BP
Central-Delco (MC-04-14)	3/1/05	19	19	17	3Q/08 finalized 15 units	Complete construction
E. Main-Thrust (MC-04-19)	3/1/05	13	0	0	4Q/08 DSA & DAA in process	9/30/09 Obtain BP
Jarvis-South Valley Developers (MC-04-22)	3/1/05	36	18	5	4Q/08 DAA in process; Finalized 3 units	9/30/09 Obtain 18 BP
Church-Alcini (MC-04-15)	3/1/05	14	0	0	4Q/08 DSA & DAA in process	10/30/09 Obtain BP
Del Monte-Giovanni (MMC-04-05)	3/1/05	6	0	0	4Q/08 FM approved	
San Pedro-Ahmadi (MMC-04-06)	3/1/05	1	1	0	3Q/07-FM approved, pulled 1 permit	Complete construction
Ginger-Custom One (MMC-04-07)	3/1/05	5	0	0	3Q/08 DSA & DAA approved	6/30/09 Obtain BP
E. Dunne-Kruse (MMC-04-10)	3/1/05	3	0	0	2Q/07-ELBA approved; 3-yr extension granted	2/1/09-FM submittal due
Depot-The Granary (MC-05-12)	2/14/06	6	0	0	2Q/07-ELBA approved; extension granted	BEHIND SCHEDULE 9/4/07 - SD & DA due; 2/1/08 - FM & SR due; 3/31/08 - obtain BP (ltr sent 8/27/08)
Monterey-Gunter (MC-05-03)	2/14/06	4	0	0	2Q/08 - DSA and DAA approved	2/27/09 - FM submittal due
TOTALS		181	68	51		

RDCS PROJECTS - FISCAL YEAR 2007-08 ALLOTMENT

PROJECT & FILE #	ALLOCATION DATE	# OF UNITS	PERMITS ISSUED	UNITS FINALED	DATE OF MOST RECENT ENTITLEMENT	NEXT STEP DEADLINE
Cory-Habitat for Humanity (MP-91-06)	3/24/92	6	0	0	3Q/08 - SR Application approved Final Map Submitted	1/30/09 BPC submittal due
San Pedro-Alcini (MC-04-17)	3/1/05	4	0	0	4Q/08 DAA & DSA submitted	3/31/09 Obtain BP
Wright-Dividend (MC-04-27)	3/1/05	9	0	0	1Q/08 Final Map approved	9/30/10 Obtain BP
Tilton-Glenrock (MP-02-03)	3/1/05	15	0	0	4Q/08 - DAA & DSA in process	BEHIND SCHEDULE 6/15/08-BPC submittal due (letter sent 6/15/08) 2/27/09 Obtain BP
Barrett-Odishoo-MC-04-13)	3/1/05	5	0	0	2Q/08 DAA/ELBA approved Final Map Approved	11/30/09 Commence Construction
Central-Delco (MC-04-14)	3/1/05	5	5	3	3Q/08 Finaled 3 units	Complete Construction
E. Main-Thrust (MC-04-19)	3/1/05	5	0	0	4Q/07 - Final Map approved	9/30/09 Obtain BP
Jarvis-South Valley Developers (MC-04-22)	3/1/05	13	0	0	4Q/08 DAA in process	6/30/10 Obtain BP
Peet-Lupine Investors (MC-04-25)	3/1/05	6	0	0	4Q/08 DAA in process	1/30/10 - FM submittal due
Mission View-Mission Ranch (MC-04-26)	3/1/05	17	0	0	4Q/08 DSA & DAA in process	1/30/09 BPC submittal due
Barrett-Syncon (MC-04-21)	3/1/05	13	7	1	2Q/08 - finaled 1 unit	4/30/09 Obtain 6 remaining BP
Diana-Chan (MC-04-04)	3/1/05	5	0	0	4Q/08 ZA, SD & DA approved	4/30/09 SR application due; 10/31/09 FM due
Depot-Granary (MC-05-12)	2/14/06	6	0	0	4Q/08 DA submitted	BEHIND SCHEDULE 9/4/07 SD & DA due; 2/1/08 FM & SR due; 3/31/08 obtain BP; 6/30/09 commence const.
Jarvis-South County Housing (MC-05-02)	2/14/06	54	54	23	4Q/08 Finaled 3 units	Complete Construction
Monterey-Alcini (MC-05-05)	2/14/06	27	0	0	4Q/08 DAA and DSA in process	BEHIND SCHEDULE 10/31/08 - FM submittal due; 12/31/08 BPC submittal due
E. Main-Ahlin (MC-05-06)	2/14/06	50	0	0	3Q/08 Final Map Approved	2/28/09 - BPC submittal due; 4/30/09 - obtain BP
TOTALS		240	66	27		

RDSCS PROJECTS - FISCAL YEAR 2008-09 ALLOTMENT

PROJECT & FILE #	ALLOCATION DATE	# OF UNITS	PERMITS ISSUED	UNITS FINALED	DATE OF MOST RECENT ENTITLEMENT	NEXT STEP DEADLINE
San Pedro-Alcini (MP-04-17)	4/6/05	8	0	0	4Q/08 DAA & DSA in process	10/31/08 - FM submittal due; 12/31/08 BPC submittal due
Tilton-Glenrock (MP-02-03)	4/6/05	12	0	0	4Q/08 DAA & DSA in process	6/15/09 - BPC submittal due
E. Dunne-Dempsey/Delco (MC-04-12)	4/6/05	7	0	0	4Q/07 -Final Map Approved	2/28/10 BPC submittal due
Barrett-Odishoo-MC-04-13)	4/6/05	13	0	0	4Q/07 -Final Map approved	1/30/09 BPC submittal due
Central-Delco (MC-04-14)	4/6/05	15	15	0	2Q/08 pulled 15 permits; FM recorded	Complete Construction
E. Main-Thrust (MC-04-19)	4/6/05	8	0	0	2Q/07-DAA approved	4/30/10 FM submittal due
Jarvis-South Valley Developers (MC-04-22)	4/6/05	15	0	0	4Q/08 DAA in process	6/30/10 Obtain BP
Peet-Lupine Investors (MC-04-25)	4/6/05	12	0	0	4Q/08 DAA in process	1/30/10 - FM submittal due
Mission View-Mission Ranch (MC-04-26)	4/6/05	18	0	0	4Q/08 DSA & DAA in process	3/15/10 - FM submittal due
Barrett-Syncon (MC-04-21)	4/6/05	5	0	0	4Q/07-DAA, DAA approved	4/30/10 Obtain BP
Diana-Chan (MC-04-04)	4/6/05	13	0	0	4Q/08 DA submitted	4/30/09 SR application due; 10/31/09 FM due
Ginger (Taylor)-Murray (MMC-04-09)	4/6/05	3	0	0	3Q/08 EA complete ZA, SD, DA & DS scheduled for 1/27 PC Meeting	BEHIND SCHEDULE 2/1/07-FM submittal due; DAA, DSA in process (Letter sent 8/27/08)
Jarvis-South County Housing (MC-05-02)	2/14/06	41	24	0	3Q/08 10 permits issued	9/30/09 Obtain 17 remaining BP
E. Central-Urban Housing (MC-05-09)	2/14/06	12	0	0	3Q/08 Improvement Plans submitted	4/1/09 Obtain BP
Diana-EAH (MC-05-08)	2/14/06	10	0	0	4Q/08 DS & DA approved	1/30/09 SR submittal due
E. Main-Ahlin (MC-05-06)	2/14/06	43	0	0	3Q/07-ZA, SD, DA, SR approved; FM in process	1/30/10 - FM submittal due; 2/28/10 - BPC submittal due
E. Third-Glenrock (MC-05-11)	2/14/06	12	0	0	1Q/06 allotments awarded	BEHIND SCHEDULE 9/4/07-ZA, SD, DA submittals due; 2/1/08 Final Map and Site Review submittals due; 7/1/08 Building Plan Check submittal due; 9/2/08 obtain BP's (hard deadlines)
TOTALS		247	39	0		

RDCS PROJECTS - FISCAL YEAR 2009-10 ALLOTMENT

PROJECT & FILE #	ALLOCATION DATE	# OF UNITS	PERMITS ISSUED	UNITS FINALED	DATE OF MOST RECENT ENTITLEMENT	NEXT STEP DEADLINE
Monterey-Gunter (MC-05-03)	3/1/06	11	0	0	2Q/08 - DSA and DAA approved	3/30/09 - SR application submittal due
E. Central-Urban Housing (MC-05-09)	3/1/06	37	0	0	1Q/08 - DA approved	9/30/09 - FM submittal due
Diana-EAH (MC-05-08)	3/1/06	70	0	0	4Q/08 DA and DS approved	1/30/09 Site Review approval due
E. Main-Ahlin (MC-05-06)	3/1/06	6	0	0	3Q/07-SA, SD, DA, SR approved	1/30/10 - FM submittal due
E. Third-Glenrock (MC-05-11)	3/1/06	43	0	0	1Q/06 allotments awarded	BEHIND SCHEDULE 9/2/08 SD, ZA & DA applications due; 2/2/09 Final Map and SR submittals due
Diana-Chan (MC-04-04)	7/26/06	14	0	0	4Q/08 ZA, SD and DA approved	4/30/09 SR application due; 10/31/09 FM due
E. Dunne-Dempsey/Delco (MC-04-12)	7/26/06	7	0	0	3Q/08 Final Map approved	4/30/10 BPC submittal due
E. Main-Thrust (MC-04-19)	7/26/06	8	0	0	4Q/08 DSA and DAA in process	4/30/10 FM submittal due
Barrett-Syncon Homes (MC-04-21)	7/26/06	14	0	0	1Q/07-SR approved	1/30/10 FM submittal due
Jarvis-South Valley Developers (MC-04-22)	7/26/06	14	0	0	4Q/08 DAA in process	1/31/11 obtain BP
Mission View-Mission Ranch (MC-04-26)	7/26/06	15	0	0	4Q/08 DSA & DAA in process	2/15/10 FM submittal due
Monterey-Sherman House (MC-05-04)	2/14/06	7	0	0	2/14/06 allotments awarded; 2Q/07 7 units transferred from 08-09	BEHIND SCHEDULE 9/2/08 ZA, SD, DA submittals due; 2/2/09 FM submittal due
Myrtle-Latala (MMC-07-03)	2/26/08	3	0	0	3Q/08 DSA & DAA approved	10/31/09 FM submittal due
Monterey-Sherman House (MF-07-01)	2/26/08	23	0	0	1Q/08 - 23 allotments awarded	
TOTALS		272	0	0		
GRAND TOTALS FOR ALL RDCS PROJECTS		962	193	89		

Note: For calendar year 2008 YTD (including non-RDCS projects), permits for 57 dwelling units have been issued and 1 secondary dwelling unit has been issued for a total of 58 dwelling units; 133 units have been finalized; and 2 units have been demolished.*

SETASIDE STATUS**PARTIALLY COMPLETED AND ONGOING PROJECTS**

<u>Allotment Setaside</u>	<u>Total #</u>	<u>Allocated</u>	<u>Remaining</u>
FY-2004-05	<u>6</u>	<u>6</u>	<u>0</u>
Totals	6	6	0

AFFORDABLE SETASIDE STATUS

<u>Allotment Setaside</u>	<u>Total #</u>	<u>Allocated</u>	<u>Remaining</u>
FY-2007-08	54	54	0
FY-2008-09	53	53	0
FY-2009-10	<u>37</u>	<u>37</u>	<u>0</u>
Totals	144	144	0

MICRO SETASIDE STATUS

<u>Allotment Setaside</u>	<u>Total #</u>	<u>Allocated</u>	<u>Remaining</u>
FY-2006-07	15	15	0
FY-2007-08	2	2	0
FY-2008-09	3	3	0
FY-2009-10	3	3	0
FY-2010-11	<u>4</u>	<u>4</u>	<u>0</u>
Totals	27	27	0

SMALL VERTICAL MIXED USE SETASIDE STATUS

<u>Allotment Setaside</u>	<u>Total #</u>	<u>Allocated</u>	<u>Remaining</u>
FY-2006-07	10	10	0
FY-2007-08	6	6	0
FY-2008-09	1	1	0
FY-2009-10	<u>17</u>	<u>17</u>	<u>0</u>
Totals	34	34	0

DOWNTOWN AREA OPEN MARKET SETASIDE STATUS

<u>Allotment Setaside</u>	<u>Total #</u>	<u>Allocated</u>	<u>Remaining</u>
FY-2006-07	14	14	0
FY-2007-08	80	80	0
FY-2008-09	67	67	0
FY-2009-10	<u>119</u>	<u>119</u>	<u>0</u>
Totals	280	280	0

SMALL PROJECT COMPETITION SETASIDE STATUS

<u>Allotment Setaside</u>	<u>Total #</u>	<u>Allocated</u>	<u>Remaining</u>
FY-2006-07	13	13	0
FY-2007-08	13	13	0
FY-2008-09	<u>8</u>	<u>8</u>	<u>0</u>
Totals	34	34	0

MEASURE F SETASIDE STATUS

<u>Allotment Setaside</u>	<u>Total #</u>	<u>Allocated</u>	<u>Remaining</u>
FY-2009-10	100	23	77

Approved Distribution of Building Allotments for 4th Qtr 2008 - 2nd Qtr 2011

Project/Competition Type	4Q/08	1Q/09	2Q/09	3Q/09	4Q/09	1Q/10	2Q/10	3Q/10	4Q/10	1Q/11	2Q/11	Total
Micro:												
Del Monte - Giovanni (MMC-04-05)			6									6
Ginger - Custom One (MMC-04-07)				5								5
E. Dunne - Kruse (MMC-04-10)							3					3
Taylor-Murray (MMC-04-09)			3									3
Myrtle-Latala (MMC-07-03)							3					3
Small:												
San Pedro - Alcini (MC-04-17)			4+8									12
Wright - Dividend (MC-04-27)								6 + 9				15
Open Market:												
Tilton - Glenrock/Shea (MP-02-03)*		15	12		20		18				14	47
Diana - Chan (MC-04-04)												32
Barrett - Odishoo (MC-04-13)*			13		5							18
Central - Hu (MC-04-14)					5				15			20
Church - Alcini (MC-04-15)					14							14
E. Main Thrust (MC-04-19)					13+5+8		8					34
Barrett - Syncon Homes (MC-04-21)			13				5+14					32
Jarvis - South Valley Dev (MC-04-22)*	18			15	13		14					60
Peet - Lupine Investors (MC-04-25)*			18				6+12					36
Mission View - Mission Ranch (MC-04-26)*			17				18+15					50
Vertical Mixed Use:												
Monterey-Sherman House (MC-05-04)							7					7
Depot - The Granary (MC-05-12)			6+6									12
Monterey - Gunter (MC-05-03)				4							11	15
Affordable:												
Jarvis-So County Housing (MC-05-02)							17					17
E. Central-Urban Housing (MC-05-09)			12				37					49
Downtown Open Market:												
Monterey-Alcini (MC-05-05)			27									27
Diana-EAH (MC-05-08)							10+70					80
E. Main-Ahlin (MC-05-06)			50				43+6					99
E. Third-Glenrock (MC-05-11)			12				43					55
Monterey - Sherman House (MF-07-01)												23
Totals	18	15	207	24	83		349	15	15		25	774

No signed development agreement

*Development Agreement in process

Reflects Amended Development Schedules, as of Dec. 31, 2008

R:\PLANNING\WP51\RD\CS\Building Allocations.2008-2011.12-08

SUBMITTAL DEADLINES

RDCS PROJECTS - FISCAL YEAR 2004-05 ALLOTMENT

Project & File #	# of Units	Planning App's Submitted	Planning App's Approved	Final Map / Imp. Plans Submitted	Final Map / Imp. Plans Approved	Final Map / Imp. Plans Recorded	Master Plan Check Submitted	Master Plan Check Approved	Bldg Permits Issued	Const. Commenced
Hill-Gera (MP-02-17)	6	✓	✓	✓	✓	✓	✓	✓	6	0

RDCS PROJECTS - FISCAL YEAR 2005-06 ALLOTMENT

Project & File #	# of Units	Planning App's Submitted	Planning App's Approved	Final Map / Imp. Plans Submitted	Final Map / Imp. Plans Approved	Final Map / Imp. Plans Recorded	Master Plan Check Submitted	Master Plan Check Approved	Bldg Permits Issued	Const. Commenced
Barrett-Ditri (MP-02-20)	9	✓	✓	✓	✓	✓	✓	✓	9	9
Hill-Gera (MP-02-17)	3	✓	✓	✓	✓	✓	✓	✓	3	3
Native Dancer-Quail Meadows (MMP-03-01)	4	✓	✓	✓	✓	✓	NA	NA	2	2

RDCS PROJECTS - FISCAL YEAR 2006-07 ALLOTMENT

Project & File #	# of Units	Planning App's Submitted	Planning App's Approved	Final Map / Imp. Plans Submitted	Final Map / Imp. Plans Approved	Final Map / Imp. Plans Recorded	Master Plan Check Submitted	Master Plan Check Approved	Bldg Permits Issued	Const. Commenced
Tilton-Glenrock (MP-02-03)	20	✓	✓	✓	✓	✓	✓	✓	12	12
Peet-Lupine Investors (MP-02-12)	12	✓	✓	✓	✓	✓	✓	✓	12	12
Peet-Lupine Investors (MC-04-25)	18	✓	✓	✓	✓	✓	✓	✓	18	18
Mission View-Mission Ranch (MC-04-26)	18	✓	✓	✓	✓	✓	✓	✓	7	7
Cochrane-Borello (MP-03-04)	7	✓	✓	✓	✓	✓	✓	✓	19	19
Wright-Dividend (MC-04-27)	6	✓	✓	✓	✓	✓	✓	✓	18	18
Central-Delco (MC-04-14)	19	✓	✓	✓	✓	✓	✓	✓	1	1
E. Main-Thrust (MC-04-19)	13	✓	✓	✓	✓	✓	✓	✓	1	1
Jarvis-South Valley Developers (MC-04-22)	36	✓	✓	✓	✓	✓	✓	✓	18	18
Church-Alcini (MC-04-15)	14	✓	✓	✓	✓	✓	✓	✓	1	1
Del Monte-Giovanni (MMC-04-05)	6	✓	✓	✓	✓	✓	✓	✓	1	1
San Pedro-Ahmadi (MMC-04-06)	1	✓	✓	✓	✓	✓	✓	✓	1	1
Ginger-Custom One (MMC-04-07)	5	✓	✓	✓	✓	✓	✓	✓	1	1
E. Dunne-Kruse (MMC-04-10)	3	✓	✓	✓	✓	✓	✓	✓	1	1
Depot-The Granary (MC-05-12)	6	✓	✓	✓	✓	✓	✓	✓	1	1
Monterey-Gunter (MC-05-03)	4	✓	✓	✓	✓	✓	✓	✓	1	1

RDCS PROJECTS - FISCAL YEAR 2007-08 ALLOTMENT

Project & File #	# of Units	Planning App's Submitted	Planning App's Approved	Final Map / Imp. Plans Submitted	Final Map / Imp. Plans Approved	Final Map / Imp. Plans Recorded	Master Plan Check Submitted	Master Plan Check Approved	Bldg Permits Issued	Const. Commenced
Cory-Habitat for Humanity (MP-91-06)	6	✓	✓	✓						
San Pedro-Alcini (MC-04-17)	4	✓	✓							
Wright-Dividend (MC-04-27)	9	✓	✓	✓	✓		✓			
Tilton-Glenrock (MP-02-03)	15	✓	✓	✓	✓	✓				
Barrett-Odishoo-MC-04-13)	5	✓	✓	✓			✓			
Central-Delco (MC-04-14)	5	✓	✓	✓	✓	✓	✓	✓	5	5
E. Main-Thrust (MC-04-19)	5	✓	✓	✓	✓		✓	✓		
Jarvis-South Valley Developers (MC-04-22)	13	✓	✓	✓	✓	✓	✓	✓		
Peet-Lupine Investors (MC-04-25)	6	✓	✓				✓	✓		
Mission View-Mission Ranch (MC-04-26)	17	✓	✓	✓			✓	✓		
Barrett-Syncon (MC-04-21)	13	✓	✓	✓	✓	✓	✓	✓	7	7
Diana-Chan (MC-04-04)	5	✓	✓							
Depot-Granary (MC-05-12)	6									
Jarvis-South County Housing (MC-05-02)	54	✓	✓	✓	✓	✓	✓	✓	54	54
Monterey-Alcini (MC-05-05)	27	✓	✓							
E. Main-Ahlin (MC-05-06)	50	✓	✓	✓	✓		✓			

RDCS PROJECTS - FISCAL YEAR 2008-09 ALLOTMENT

Project & File #	# of Units	Planning App's Submitted	Planning App's Approved	Final Map/ Imp. Plans Submitted	Final Map/ Imp. Plans Approved	Final Map/ Imp. Plans Recorded	Master Plan Check Submitted	Master Plan Check Approved	Bldg Permits Issued	Const. Commenced
San Pedro-Alcini (MP-04-17)	8	✓	✓							
Tilton-Glenrock (MP-02-03)	12	✓	✓	✓	✓	✓				
E. Dunne-Dempsey/Delco (MC-04-12)	7	✓	✓	✓	✓	✓	✓	✓		
Barrett-Odishoo-MC-04-13)	13	✓	✓	✓			✓	✓		
Central-Delco (MC-04-14)	15	✓	✓	✓	✓	✓	✓	✓	15	15
E. Main-Thrust (MC-04-19)	8	✓	✓				✓			
Jarvis-South Valley Developers (MC-04-22)	15	✓	✓	✓	✓	✓	✓	✓		
Peet-Lupine Investors (MC-04-25)	12	✓	✓				✓	✓		
Mission View-Mission Ranch (MC-04-26)	18	✓	✓				✓	✓		
Barrett-Syncon (MC-04-21)	5	✓	✓				✓	✓		
Diana-Chan (MC-04-04)	13	✓	✓							
Ginger (Taylor)-Murray (MMC-04-09)	3									
Jarvis-South County Housing (MC-05-02)	41	✓	✓	✓	✓	✓	✓	✓	24	24
E. Central-Urban Housing (MC-05-09)	12	✓	✓	✓			✓			
Diana-EAH (MC-05-08)	10	✓	✓							
E. Main-Ahlin (MC-05-06)	43	✓	✓				✓			
E. Third-Glenrock (MC-05-11)	12									

RDCS PROJECTS - FISCAL YEAR 2009-10 ALLOTMENT

Project & File #	# of Units	Planning App's Submitted	Planning App's Approved	Final Map/ Imp. Plans Submitted	Final Map/ Imp. Plans Approved	Final Map/ Imp. Plans Recorded	Master Plan Check Submitted	Master Plan Check Approved	Bldg Permits Issued	Const. Commenced
Monterey-Gunter (MC-05-03)	11									
E. Central-Urban Housing (MC-05-09)	37	✓	✓	✓			✓			
Diana-EAH (MC-05-08)	70	✓								
E. Main-Ahlin (MC-05-06)	6	✓	✓							
E. Third-Glenrock (MC-05-11)	43									
Diana-Chan (MC-04-04)	14	✓	✓							
E. Dunne-Dempsey/Delco (MC-04-12)	7	✓	✓				✓	✓		
E. Main-Thrust (MC-04-19)	8	✓	✓				✓			
Barrett-Syncon Homes (MC-04-21)	14	✓	✓				✓	✓		
Jarvis-South Valley Developers (MC-04-22)	14	✓	✓	✓			✓	✓		
Mission View-Mission Ranch (MC-04-26)	15	✓	✓				✓	✓		
Monterey-Sherman House (MC-05-04)	7									
Myrtle-Latala (MMC-07-03)	3	✓	✓							
Monterey-Sherman House (MF-07-01)	23									

Christine Giusiana

From: Steve Barsanti [sbarsanti@apr.com]
Sent: Wednesday, January 14, 2009 5:18 PM
To: Christine Giusiana
Subject: Facts and Trends Reports...

Hi Chris, I am so sorry but I will not be at the EDC meeting tomorrow morning. I have however sent you some info you can share with the group.

Below are some graphs for home stats in Morgan Hill from January 2007 thru December 2008, basically 2 years.

I will be there next month!!

Thanks, Steve

Steve Barsanti
Alain Pinel Realtors
501 Vineyard Town Center
Morgan Hill, CA 95037
408-710-3509 Mobile
408-782-5221 Office
www.sbarsanti.com

Oh by the way...When you think real estate...Think Steve Barsanti...

Facts and TrendsTM

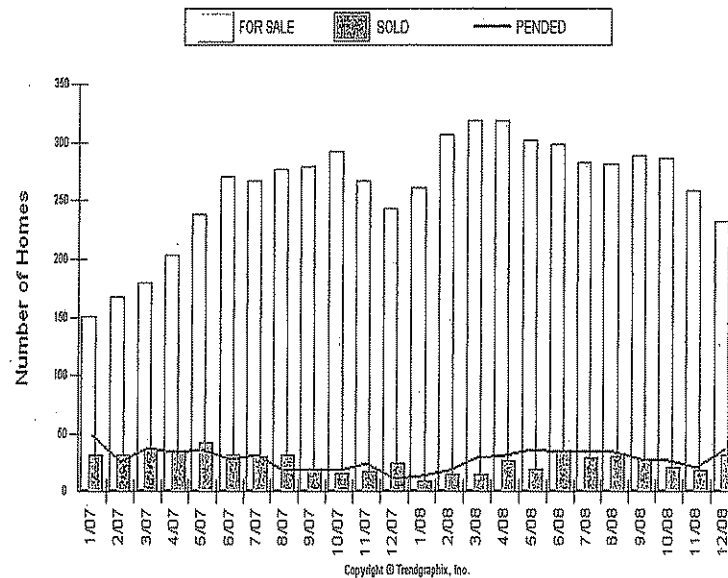
Published Jan. 2009

Location : ZIP 95037

Number of Homes For Sale vs. Sold
Price Range: \$0 - No Limit
SQFT Range: 0 - No Limit
Single Family Homes



Prepared for you by: Steve Barsanti



	1 year			24 months		
	Dec 07	Dec 08	% Change	Jan 07	Dec 08	% Change
For Sale	243	232	-4.5% ↓	151	232	53.6% ↑
Sold	24	31	29.2% ↑	31	31	0%
Pended	11	36	227.3% ↑	48	36	-25% ↓

Date	1/07	2/07	3/07	4/07	5/07	6/07	7/07	8/07	9/07	10/07	11/07	12/07	1/08	2/08	3/08	4/08	5/08	6/08	7/08	8/08	9/08	10/08	11/08
For Sale	151	168	180	204	239	271	268	277	279	292	267	243	261	307	319	319	302	299	283	282	289	286	255
Sold	31	32	37	35	43	31	30	31	20	16	17	24	9	15	15	27	20	35	29	30	27	21	19
Mon of Inv. on Sold	4.9	5.3	4.9	5.8	5.6	8.7	8.9	8.9	14.0	18.3	15.7	10.1	29.0	20.5	21.3	11.8	15.1	8.5	9.8	9.4	10.7	13.6	13.1
Mon of Inv. on Pended	3.1	6.7	4.7	6.0	6.5	9.7	8.6	15.4	15.5	15.4	11.1	22.1	18.6	17.1	11.0	10.0	8.2	8.8	8.1	8.3	10.3	10.6	12.1
Avg. Act																							

1/14/2009

Facts and Trends™

Published Jan. 2009

Location : ZIP 95037

Number of Homes For Sale vs. Sold

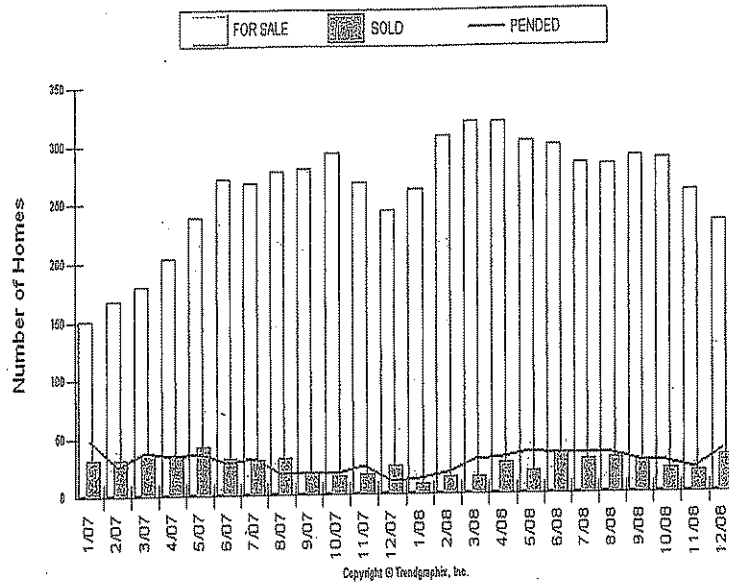
Price Range: \$0 - No Limit

SQFT Range: 0 - No Limit

Single Family Homes

ALAIN PINEL
REALTOR®

Prepared for you by: Steve Barganti



	1 year			24 months		
	Dec 07	Dec 08	% Change	Jan 07	Dec 08	% Change
For Sale	243	232	-4.5% ↓	151	232	53.6% ↑
Sold	24	31	29.2% ↑	31	31	0%
Pended	11	36	227.3% ↑	48	36	-25% ↓

Date	1/07	2/07	3/07	4/07	5/07	6/07	7/07	8/07	9/07	10/07	11/07	12/07	1/08	2/08	3/08	4/08	5/08	6/08	7/08	8/08	9/08	10/08	11/08
For Sale	151	168	180	204	239	271	268	277	279	292	267	243	261	307	319	319	302	299	283	282	289	286	255
Sold	31	32	37	35	43	31	30	31	20	16	17	24	9	15	15	27	20	35	29	30	27	21	19
Mon of Inv. on Sold	4.9	5.3	4.9	5.8	5.6	8.7	8.9	8.9	14.0	18.3	15.7	10.1	29.0	20.5	21.3	11.8	15.1	8.5	9.8	9.4	10.7	13.6	13.1
Mon of Inv. on Pended	3.1	6.7	4.7	6.0	6.5	9.7	8.6	15.4	15.5	15.4	11.1	22.1	18.6	17.1	11.0	10.0	8.2	8.8	8.1	8.3	10.3	10.6	12.1
Price	1039	1071	1086	1095	1087	1065	1028	1021	1008	996	984	994	979	992	979	989	968	967	974	983	975	948	958
Avg. Sld Price	974	865	952	873	967	829	920	935	742	919	856	876	736	805	758	687	720	886	735	766	766	801	597
Avg. Sq. Ft. Price	367.77	385.47	394.77	370.82	412.71	406.96	381.9	370.89	370.07	357.38	333.31	350.67	335.22	345.9	307.36	333.03	309.98	332.23	311.77	306.12	321.64	279.2	270
Sold/List Diff. %	97	99	98	98	99	97	98	97	97	97	98	96	95	95	96	95	96	96	95	96	96	94	96
Days On Market	92	63	74	58	51	65	57	98	69	69	53	78	94	67	172	75	82	68	89	125	93	74	67
Median Price	925	794	850	835	856	824	859	810	730	884	795	812	720	749	660	685	667	800	690	800	639	710	576

All reports presented are based on data supplied by Contra Costa, Bay East, Santa Clara County, San Mateo County, Santa Cruz, Stanislaus County and San Joaquin County Association of Realtors or their MLSs. Neither the Associations nor their MLSs guarantee or are in anyway responsible for their accuracy. Data maintained by the Associations or their MLSs may not reflect all real estate activities in the market. Information deemed reliable but not guaranteed.

Facts and Trends™

Published Jan. 2009

Location : ZIP 95037

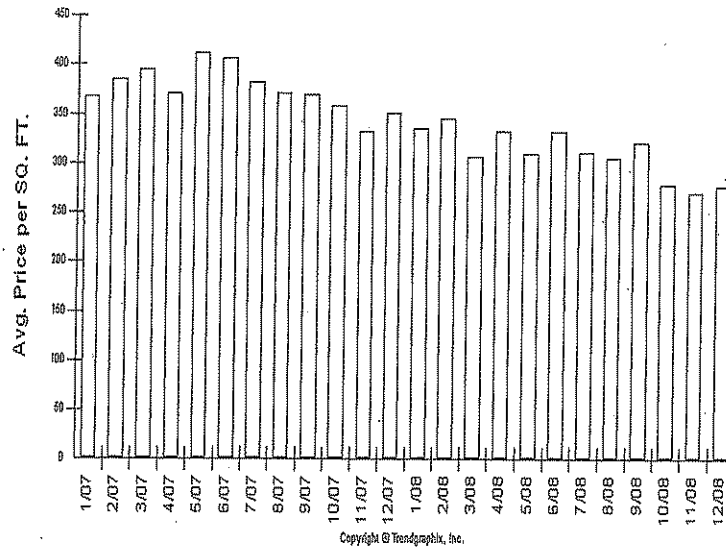
Average Home Sold Price per SQFT

Price Range: \$0 - No Limit

SQFT Range: 0 - No Limit



Prepared for you by: Steve Barsanti



	1 year			24 months		
	Dec 07	Dec 08	% Change	Jan 07	Dec 08	% Change
Avg. Sq. Ft. Price	351	277	-21% ↓	368	277	-24.7% ↓

Date	1/07	2/07	3/07	4/07	5/07	6/07	7/07	8/07	9/07	10/07	11/07	12/07	1/08	2/08	3/08	4/08	5/08	6/08	7/08	8/08	9/08	10/08	11/08
For Sale	151	168	180	204	239	271	268	277	279	292	267	243	261	307	319	319	302	299	283	282	289	286	255
Sold	31	32	37	35	43	31	30	31	20	16	17	24	9	15	15	27	20	35	29	30	27	21	19
Mon of Inv. on Sold	4.9	5.3	4.9	5.8	5.6	8.7	8.9	8.9	14.0	18.3	15.7	10.1	29.0	20.5	21.3	11.8	15.1	8.5	9.8	9.4	10.7	13.6	13.1
Mon of Inv. on Pending	3.1	6.7	4.7	6.0	6.5	9.7	8.6	15.4	15.5	15.4	11.1	22.1	18.6	17.1	11.0	10.0	8.2	8.8	8.1	8.3	10.3	10.6	12.1
Avg. Act Price	1039	1071	1086	1095	1087	1065	1028	1021	1008	996	984	994	979	992	979	989	968	967	974	983	975	948	958
Avg. Std Price	974	865	952	873	967	829	920	935	742	919	856	876	736	805	758	687	720	886	735	766	766	801	597
Avg. Sq. Ft. Price	367.77	385.47	394.77	370.82	412.71	406.96	381.9	370.89	370.07	357.38	333.31	350.67	333.22	345.9	307.36	333.03	309.98	332.23	311.77	306.12	321.64	279.2	270.1
Sold/List Diff %	97	99	98	98	99	97	98	97	97	97	98	96	95	95	96	95	96	96	95	96	96	94	96
Days On Market	92	63	74	58	51	65	57	98	69	69	53	78	94	67	172	75	82	68	89	125	93	74	67
Median Price	925	794	850	835	856	824	859	810	730	884	795	812	720	749	660	685	667	800	690	800	639	710	576

All reports presented are based on data supplied by Contra Costa, Bay East, Santa Clara County, San Mateo County, Santa Cruz, Stanislaus County and San Joaquin County Association of Realtors or their MLSs. Neither the Associations nor their MLSs guarantee or are in anyway responsible for their accuracy. Data maintained by the Associations or their MLSs may not reflect all real estate activities in the market. Information deemed reliable but not guaranteed.

Facts and TrendsTM

Published Jan. 2009

Location : ZIP 95037

Avg Price For Sale & Sold

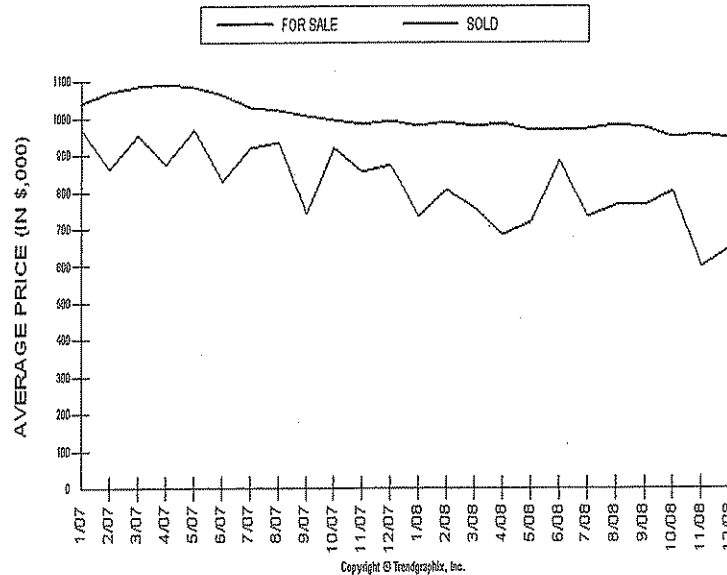
Price Range: \$0 - No Limit

SQFT Range: 0 - No Limit

Single Family Homes



Prepared for you by: Steve Barsanti



	1 year			24 months		
	Dec 07	Dec 08	% Change	Jan 07	Dec 08	% Change
Avg. Active Price	994	946	-4.8% ↓	1039	946	-9% ↓
Avg. Sold Price	876	646	-9% ↓	974	646	-33.7% ↓

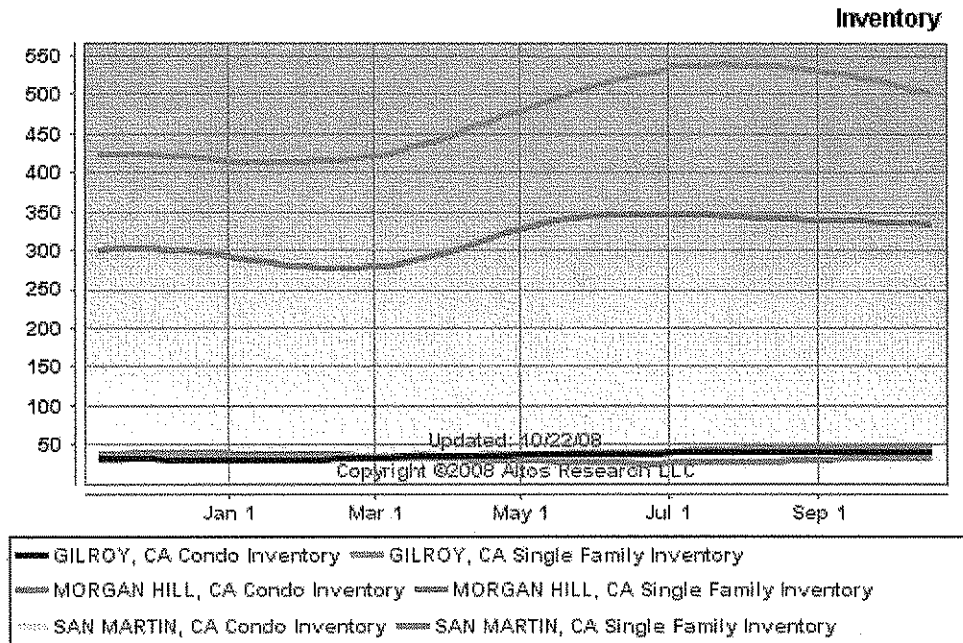
Date	1/07	2/07	3/07	4/07	5/07	6/07	7/07	8/07	9/07	10/07	11/07	12/07	1/08	2/08	3/08	4/08	5/08	6/08	7/08	8/08	9/08	10/08	11/08
For Sale	151	168	180	204	239	271	268	277	279	292	267	243	261	307	319	319	302	299	283	282	289	286	255
Sold	31	32	37	35	43	31	30	31	20	16	17	24	9	15	15	27	20	35	29	30	27	21	19
Mon of Inv. on Sold	4.9	5.3	4.9	5.8	5.6	8.7	8.9	8.9	14.0	18.3	15.7	10.1	29.0	20.5	21.3	11.8	15.1	8.5	9.8	9.4	10.7	13.6	13.1
Mon of Inv. on Pended	3.1	6.7	4.7	6.0	6.5	9.7	8.6	15.4	15.5	15.4	11.1	22.1	18.6	17.1	11.0	10.0	8.2	8.8	8.1	8.3	10.3	10.6	12.1
Avg. Act Price	1039	1071	1086	1095	1087	1065	1028	1021	1008	996	984	994	979	992	979	989	968	967	974	983	975	948	958
Avg. Sld Price	974	865	952	873	967	829	920	935	742	919	856	876	736	805	758	687	720	886	735	766	766	801	597
Avg. Sq. Ft. Price	367.77	385.47	394.77	370.82	412.71	406.96	381.9	370.89	370.07	357.38	333.31	350.67	335.22	345.9	307.36	333.03	309.98	332.23	311.77	306.12	321.64	279.2	270
Sold/List Diff. %	97	99	98	98	99	97	98	97	97	97	98	96	95	95	96	95	96	96	95	96	96	94	96
Days On Market	92	63	74	58	51	65	57	98	69	69	53	78	94	67	172	75	82	68	89	125	93	74	67
Median Price	925	794	850	835	856	824	859	810	730	884	795	812	720	749	660	685	667	800	690	800	639	710	576

All reports presented are based on data supplied by Contra Costa, Bay East, Santa Clara County, San Mateo County, Santa Cruz, Stanislaus County and San Joaquin County Association of Realtors or their MLSs. Neither the Associations nor their MLSs guarantee or are in anyway responsible for their accuracy. Data maintained by the Associations or their MLSs may not reflect all real estate activities in the market. Information deemed reliable but not guaranteed.

Silicon Valley Real Estate Sales for the Cities of Morgan Hill, San Martin & Gilroy Real Estate Housing Sales ~ Q3 2008 vs Q3 2007 ~ Graphs & Stats

November 7th, 2008

by Ryan Kapowich



The **Q3 2008 Completed Sales Report for Morgan Hill Single-Family Homes** saw a closing of **89 sales** receiving **95.84% of list price**. These closings represented a **median price of \$700,000** and an average price of \$753,637. There were 241 new listings during Q3 2008.

Total Sales: \$67,073,718

vs

The **Q3 2007 Completed Sales Report for Morgan Hill Single-Family Homes** saw a closing of **80 sales** receiving **97.26% of list price**. These closings represented a **median price of \$820,000** and an average price of \$893,907. There were 233 new listings during Q3 2007.

Total Sales: \$71,512,629

The **Q3 2008 Completed Sales Report for San Martin Single-Family Homes** saw a closing of **5 sales** receiving **96.18% of list price**. These closings represented a **median price of \$950,000** and average price of \$1,191,000. There were 24 new listings during

Q3 2008.

Total Sales: \$5,955,000

vs

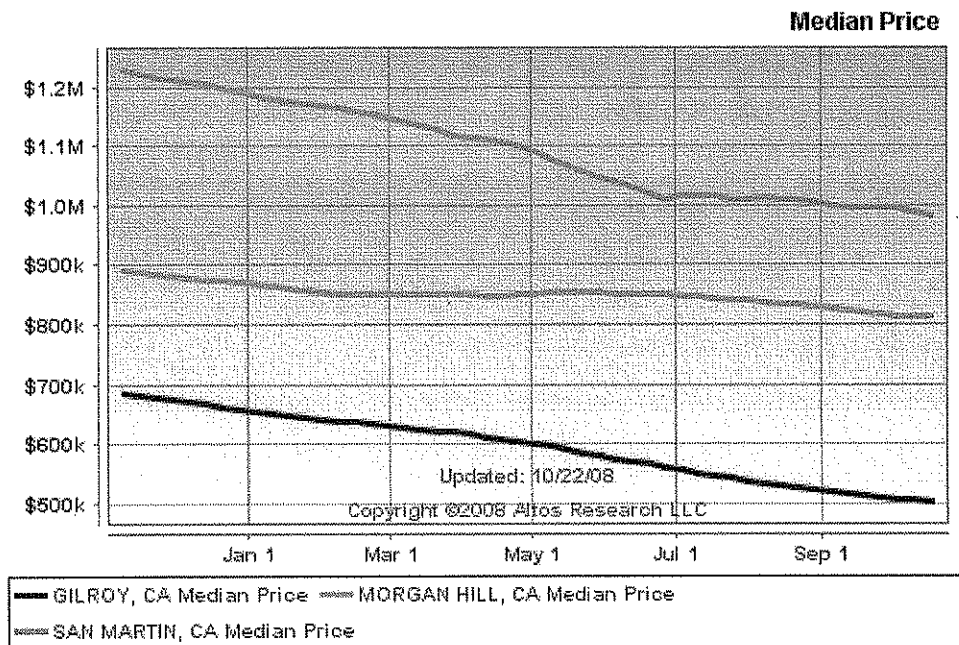
The **Q3 2007** Completed Sales Report for San Martin Single-Family Homes saw a closing of **6 sales** receiving **96.72% of list price**. These closings represented a **median price of \$1,000,000** and average price of \$1,180,416. There were 21 new listings during Q3 2007.

Total Sales: \$7,082,500

The **Q3 2008** Completed Sales Report for Gilroy Single-Family Homes saw a closing of **157 sales** receiving **96.12% of list price**. These closings represented a **median price of \$425,000** and an average price of \$464,077. There were 315 new listings during Q3 2008.

vs

The **Q3 2007** Completed Sales Report for Gilroy Single-Family Homes saw a closing of **84 sales** receiving **97.58% of list price**. These closings represented a **median price of \$705,000** and an average price of \$790,708. There were 289 new listings during Q3 2007.



Q3 2008 ~Morgan Hill Condos/Townhouses had **14 closed sales** receiving **97.88% of list price**. These closings represented a **median price of \$351,500** and an average price of \$351,821. There were 30 new listings during Q3 2008.

Total Sales: \$4,925,500

vs

Q3 2007 ~Morgan Hill Condos/Townhouses had **11 closed sales** receiving **98.08% of list price**. These closings represented a **median price of \$460,000** and an average price of \$488,409. There were 35 new listings during Q3 2007.

Total Sales: \$5,372,500

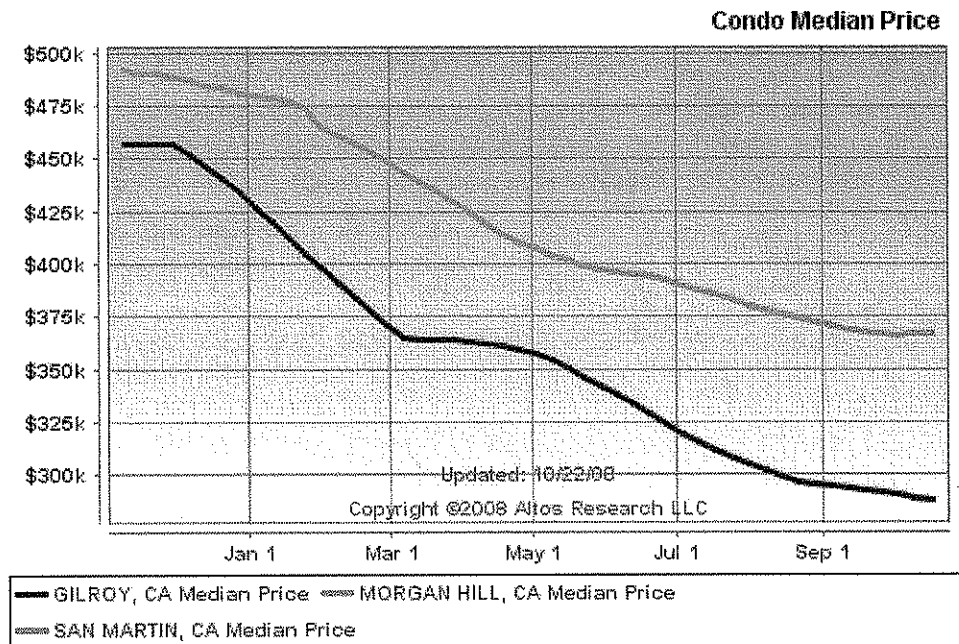
Q3 2008 ~Gilroy Condos/Townhouses had **5 closed sales** receiving **93.01% of list price**. These closings represented a **median price of 325,000** and an average price of \$328,600. There were 23 new listings during Q3 2008.

Total Sales: \$1,643,000

vs

Q3 2007 ~Gilroy Condos/Townhouses had **4 closed sales** receiving **99.72% of list price**. These closings represented a **median price of 440,000** and an average price of \$445,500. There were 23 new listings during Q3 2007.

Total Sales: \$1,782,000



Q3 2008 ~ Single-Family Homes in Morgan Hill had an average of **101 days on market (DOM)** and **134 cumulative days on market (CDOM)**. **Condos/Townhouses** had an average of **65 DOM** and **91 CDOM**.

vs

Q3 2007 ~ Single-Family Homes in Morgan Hill had an average of **77 DOM** and **109 CDOM**. **Condos/Townhouses** had an average of **77 DOM** and **83 CDOM**.

Q3 2008 ~ Single-Family Homes in San Martin had an average of 104 DOM and CDOM.

vs

Q3 2007 ~ Single-Family Homes in San Martin had an average of 91 DOM and 98 CDOM.

Q3 2008 ~ Single-Family Homes in Gilroy had an average of 77 DOM and 139 CDOM. Condos/Townhouses had an average of 102 DOM and 136 CDOM.

vs

Q3 2007 ~ Single-Family Homes in Gilroy had an average of 81 DOM and 98 CDOM. Condos/Townhouses had an average of 76 DOM and 99 CDOM.

KAPOWICH REAL ESTATE derives many benefits from its memberships in the *National Association of Realtors, (NAR)*, the *California Association of Realtors, (CAR)*, the *Silicon Valley Association of Realtors, (SILVAR)*, and the *Santa Clara County Association of Realtors, (SCCAOR)*. Not the least of which is their statistical information on real estate transactions.
We love this stuff!

Pat Kapowich,
Real Estate Broker, ABR, CRS, GRI, SRES
“Negotiating Smooth Transactions Throughout The South Bay”
SiliconValleyBroker.com

<http://siliconvalleybroker.com/silicon-valley-real-estate-sales-for-the-cities-of-morgan-hill-san-martin-gilroy-real-estate-housing-sales-q3-2008-vs-q3-2007-graphs-stats.html#comments>